

Hospital Inpatient Services

*(Hospitals that are paid under the
Prospective Payment System)*

*Medicaid and Other Medical
Assistance Programs*

This publication supersedes all previous Hospital Inpatient Services handbooks. Published by the Montana Department of Public Health & Human Services, July 2005.

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My Medicaid Provider ID Number:
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Key Contacts

Hours for Key Contacts are 8:00 a.m. to 5:00 p.m. Monday through Friday (Mountain Time), unless otherwise stated. The phone numbers designated “In state” will not work outside Montana.

Provider Relations

For questions about provider enrollment, eligibility, payments, denials, general claims questions, PASSPORT questions, or to request provider manuals or fee schedules:

(800) 624-3958 In and out-of-state
(406) 442-1837 Helena
(406) 442-4402 Fax

Send written inquiries to:
Provider Relations Unit
P.O. Box 4936
Helena, MT 59604

Claims

Send paper claims to:
Claims Processing Unit
P. O. Box 8000
Helena, MT 59604

EDI Technical Help Desk

For questions regarding electronic claims submission:

(800) 987-6719 In and out-of-state
(850) 385-1705 Fax

Mail to:
ACS
ATTN: MT EDI
P.O. Box 4936
Helena, MT 59604

Client Eligibility

For instructions on obtaining client eligibility, see the *Client Eligibility and Responsibilities* chapter in the *General Information For Providers* manual.

Prior Authorization

The following are some of the Department’s prior authorization contractors. Providers are expected to refer to their specific provider manual for prior authorization instructions.

Surveillance/Utilization Review

For prior authorization for specific services, contact SURS at:

(406) 444-0190 Phone
(406) 444-0778 Fax

Send written inquiries to:
Surveillance/Utilization Review
2401 Colonial Drive
P.O. Box 202953
Helena, MT 59620-2953

Mountain-Pacific Quality Health Foundation

For questions regarding prior authorization for transplant services, private duty nursing services, out-of-state inpatient services, medical necessity therapy reviews, emergency department reviews and case management assistance:

Phone:
(800) 262-1545 X5850 In and out of state
(406) 443-4020 X5850 Helena

Fax:
(800) 497-8235 In and out of state
(406) 443-4585 Out of state and Helena

Send written inquiries to:
Mountain-Pacific Quality
Health Foundation
3404 Cooney Drive
Helena, MT 59602

First Health

For questions regarding prior authorization and continued stay review for selected mental health services.

(800) 770-3084 Phone

(800) 639-8982 Fax

(800) 247-3844 Fax

First Health Services
4300 Cox Road
Glen Allen, VA 23060

Hospital Program Officer

To qualify a client for residency status, or to submit claims for same-day readmission and claims for hospital residents:

(406) 444-4540 Phone

(406) 444-1861 Fax

Send written inquiries to:

Hospital Program Officer
Health Resources Division
P.O. Box 202951
Helena, MT 59620

Medicaid Client Help Line

Clients who have Medicaid or PASSPORT questions may call the Montana Medicaid Help Line:

(800) 362-8312

Send written inquiries to:

PASSPORT To Health
P.O. Box 254
Helena, MT 59624-0254

Direct Deposit Arrangements

Providers who would like to receive their remittance advices electronically and electronic funds transfer should call the number below.

(406) 444-5283

Third Party Liability

For questions about private insurance, Medicare or other third-party liability:

(800) 624-3958 In and out-of-state

(406) 443-1365 Helena

(406) 442-0357 Fax

Send written inquiries to:

ACS Third Party Liability Unit
P. O. Box 5838
Helena, MT 59604

PASSPORT Program Officer

Send inpatient stay documentation to:

PASSPORT Program Officer

DPHHS

Managed Care Bureau

P.O. Box 202951

Helena, MT 59620-2951

Nursing Facility/Swing Bed Pre-Admission Screening

For pre-admission screening and level-of-care screening for clients entering a nursing facility or swing bed hospital, contact:

Phone:

(800) 219-7035 In and out-of-state

(406) 443-0320

Fax:

(800) 413-3890 In and out-of-state

(406) 443-4585

Send written inquiries to:

Mountain-Pacific Quality Health
Foundation
3404 Cooney Drive
Helena, MT 59601

Provider Policy Questions

For policy questions, contact the appropriate division of the Department of Public Health and Human Services; see the *Introduction* chapter in the *General Information For Providers* manual.

CLIA Certification

For questions regarding CLIA certification, call or write:

(406) 444-1451 Phone

(406) 444-3456 Fax

Send written inquiries to:

DPHHS

Quality Assurance Division

Certification Bureau

2401 Colonial Drive

P.O. Box 202953

Helena, MT 59620-2953

Lab and X-ray

Public Health Lab assistance:

(800) 821-7284 In state

(406) 444-3444 Out of state and Helena

Send written inquiries to:

DPHHS Public Health Lab

1400 Broadway

P.O. Box 6489

Helena, MT 59620

Chemical Dependency Bureau

For coverage information and other details regarding chemical dependency treatment, write or call:

(406) 444-3964 Phone

(406) 444-4435 Fax

Send written inquiries to:

Chemical Dependency Bureau

Addictive and Mental Disorders Division

DPHHS

P.O. Box 202905

Helena, MT 59620-2905

Secretary of State

The Secretary of State's office publishes the most current version of the Administrative Rules of Montana (ARM):

(406) 444-2055 Phone

Secretary of State

P.O. Box 202801

Helena, MT 59620-2801

Team Care Program Officer

For questions regarding the Team Care Program:

(406) 444-4540 Phone

(406) 444-1861 Fax

Team Care Program Officer

DPHHS

Managed Care Bureau

P.O. Box 202951

Helena, MT 59620-2951

Nurse First

For questions regarding Nurse First Disease Management or the Nurse Advice Line, contact:

(406) 444-4540 Phone

(406) 444-1861 Fax

Nurse First Program Officer

DPHHS

Managed Care Bureau

P.O. Box 202951

Helena, MT 59620-2951

Key Web Sites	
Web Address	Information Available
Virtual Human Services Pavilion (VHSP) vhsdp.dphhs.mt.gov	Select <i>Human Services</i> for the following information: <ul style="list-style-type: none"> • Medicaid: Medicaid Eligibility & Payment System (MEPS). Eligibility and claims history information and a link to the Provider Information Website. • Senior and Long Term Care: Provider search, home/housing options, healthy living, government programs, publications, protective/legal services, financial planning. • DPHHS: Latest news and events, DPHHS information, services available, and legal information.
Provider Information Website www.mtmedicaid.org	<ul style="list-style-type: none"> • Medicaid news • Provider manuals • Notices and manual replacement pages • Fee schedules • Remittance advice notices • Forms • PASSPORT and Team Care Information • Provider enrollment • Frequently asked questions (FAQs) • Upcoming events • HIPAA Update • Newsletters • Key contacts • Links to other websites and more
CHIP Website www.chip.mt.gov	<ul style="list-style-type: none"> • Information on the Children's Health Insurance Plan (CHIP)
Centers for Disease Control and Prevention (CDC) website www.cdc.gov/nip	Immunization and other health information
ACS EDI Gateway www.acs-gcro.com/Medicaid_Account/Montana/montana.htm	ACS EDI Gateway is Montana's HIPAA clearinghouse. Visit this website for more information on: <ul style="list-style-type: none"> • Provider Services • EDI Support • Enrollment • Manuals • Software • Companion Guides • FAQs • Related Links

Introduction

Thank you for your willingness to serve clients of the Montana Medicaid program and other medical assistance programs administered by the Department of Public Health and Human Services.

Manual Organization

This manual provides information specifically for hospital inpatient services. Each chapter has a section titled *Other Programs* that includes information about other Department programs such as the Mental Health Services Plan (MHSP) and the Children's Health Insurance Plan (CHIP). Other essential information for providers is contained in the separate *General Information For Providers* manual. Each provider is asked to review both the general manual and the specific manual for his or her provider type.

A table of contents and an index allow you to quickly find answers to most questions. The margins contain important notes with extra space for writing notes. There is a list of *Key Contacts* at the beginning of each manual. We have also included a space on the back side of the front cover to record your Medicaid Provider ID number for quick reference when calling Provider Relations.

Manual Maintenance

Manuals must be kept current. Changes to manuals are provided through notices and replacement pages. Manual replacement pages can be downloaded from the website and are identified by a note at the top of the page indicating *Replacement Page* and the date. They are designed to be printed on the front and back of each page, so they are always in sets of two beginning with an odd page followed by an even page, even though one of the pages may not have any changes. When replacing a page in a manual, file the old pages and notices in the back of the manual for use with claims that originated under the old policy.

Rule References

Providers must be familiar with all current rules and regulations governing the Montana Medicaid program. Provider manuals are to assist providers in billing Medicaid; they do not contain all Medicaid rules and regulations. Rule citations in the text are a reference tool; they are not a summary of the entire rule. In the event that a manual conflicts with a rule, the rule prevails. Links to rules are available on the Provider Information website (see *Key Contacts*). Paper copies of rules are available through Provider Relations and the Secretary of State's office (see *Key*



Providers are responsible for knowing and following current laws and regulations.

Contacts). In addition to the general Medicaid rules outlined in the *General Information For Providers* manual, the following rules and regulations are also applicable to the hospital inpatient program:

- Code of Federal Regulations (CFR)
 - 42 CFR 440.10 Inpatient Hospital Services, Other Than Services in an Institution for Mental Disease
- Montana Codes Annotated (MCA)
 - MCA Title 50-5-101 - 50-5-1205 Hospitals and Related Facilities
- Administrative Rules of Montana (ARM)
 - ARM Title 37.86.2801 - 37.86.2947 Inpatient Hospital Services

Claims Review (MCA 53-6-111, ARM 37.85.406)

The Department is committed to paying Medicaid provider's claims as quickly as possible. Medicaid claims are electronically processed and usually are not reviewed by medical experts prior to payment to determine if the services provided were appropriately billed. Although the computerized system can detect and deny some erroneous claims, there are many erroneous claims which it cannot detect. For this reason, payment of a claim does not mean that the service was correctly billed or the payment made to the provider was correct. Periodic retrospective reviews are performed which may lead to the discovery of incorrect billing or incorrect payment. If a claim is paid and the Department later discovers that the service was incorrectly billed or paid or the claim was erroneous in some other way, the Department is required by federal regulation to recover any overpayment, regardless of whether the incorrect payment was the result of Department or provider error or other cause.

Getting Questions Answered

The provider manuals are designed to answer most questions; however, questions may arise that require a call to a specific group (such as a program officer, Provider Relations, or a prior authorization unit). The list of *Key Contacts* at the front of this manual has important phone numbers and addresses pertaining to this manual. The *Introduction* chapter in the *General Information For Providers* manual also has a list of contacts for specific program policy information. Medicaid manuals, notices, replacement pages, fee schedules, forms, and much more are available on the Provider Information website (see *Key Contacts*).

Covered Services

General Coverage Principles

Medicaid covers inpatient hospital services when they are medically necessary. This chapter provides covered services information that applies specifically to inpatient hospital services. Like all health care services received by Medicaid clients, these services must also meet the general requirements listed in the *Provider Requirements* chapter of the *General Information For Providers* manual.

Hospital inpatient services (ARM 37.86.2901-2902)

Inpatient hospital services are provided to Medicaid clients who are formally admitted as an inpatient and whose expected hospital stay is greater than 24 hours. Inpatient services must be ordered by a licensed physician or dentist and provided in an institution maintained primarily for treatment and care of patients with disorders other than tuberculosis or mental diseases. The institution must be currently licensed by the designated state licensing authority in the state where the institution is located, must meet the requirements for participation in Medicare as a hospital, and must have in effect a utilization review plan that meets the requirements of 42 CFR 482.30, or provide inpatient psychiatric hospital services for individuals under age 21 according to ARM 37.88.1101 - 1119.

Services for children (ARM 37.86.2201 – 2221)

The Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT) is a comprehensive approach to health care for Medicaid clients ages 20 and under. It is designed to prevent, identify, and then treat health problems before they become disabling. Under EPSDT, Medicaid eligible children may receive any medically necessary covered service, including all inpatient hospital services described in this manual. All applicable PASSPORT To Health and prior authorization requirements apply.

Importance of fee schedules

The easiest way to verify coverage for a specific service is to check the Department's fee schedule for your provider type. In addition to being listed on the fee schedule, all services provided must also meet the coverage criteria listed in the *Provider Requirements* chapter of the *General Information For Providers* manual and in this chapter. Use the current fee schedule in conjunction with the more detailed coding descriptions listed in the current ICD-9-CM coding book. Take care to use the fee schedule and coding books that pertain to

the date of service. Current fee schedules are available on the Provider Information website (see *Key Contacts*). For disk or hard copy, contact Provider Relations (see *Key Contacts*).

Physician Attestation and Acknowledgment (ARM 37.86.2904)

At the time a claim is submitted, the hospital must have on file a signed and dated acknowledgment from the attending physician that the physician has received the following notice:

***Notice to physicians:** Medicaid payment to hospitals is based in part on each patient's principal and secondary diagnosis and the major procedures performed on the patient, as attested to by the patient's attending physician by virtue of his or her signature in the medical record. Anyone who misrepresents, falsifies or conceals essential information required for payment of federal funds, may be subject to fine, imprisonment or civil penalty under applicable federal laws.*

The acknowledgement must be completed by the physician at the time that the physician is granted admitting privileges at the hospital, or before or at the time the physician admits his or her first client to the hospital. Existing acknowledgments signed by physicians already on staff remain in effect as long as the physician has admitting privileges at the hospital. The provider may, at its discretion, add to the language of this statement the word *Medicare* so that two separate forms will not be required by the provider to comply with both state and federal requirements.

Utilization Reviews (42 CFR 456)

The Department or its contractor may at any time review paid claims, provider documentation for medical necessity, appropriate billing, etc. Providers must maintain documentation of medical necessity for services such as initial hospitalization, transfers and readmissions. For more information on provider requirements for maintaining documentation, see *Record keeping* in the *General Information For Providers* manual, *Provider Requirements* chapter. See also *Claims Review* in the *Introduction* chapter of this manual.

Obtaining Resident Status (ARM 37.86.2921)

Providers must contact the Department to obtain hospital residence status prior to billing Medicaid (see *Key Contacts*). In order to qualify for residency status, a client must meet the following requirements:

- Use a ventilator for a continuous period of not less than eight hours in a 24-hour period or require at least 10 hours of direct nursing care in a 24-hour period

- Must have been an inpatient in an acute care hospital for a minimum of six continuous months

It is the provider's responsibility to determine whether services could be provided in a skilled nursing care facility or by the home and community based waiver program. The provider must maintain written records of inquiries and responses about the present and future availability of openings in nursing facilities and the home and community based waiver program. A redetermination of nursing facility or waiver availability must be made at least every six months.

Nursing Facility Placement

Hospitalized Medicaid clients and Medicaid applicants being considered for nursing facility placement from the hospital shall be referred in a timely manner to the screening team. This will allow preadmission screening to be accomplished before placement and payment is made on their behalf.

High Cost Case Management

The Department provides assistance for hospitals with coordination of discharge planning for a client who has the potential to be a catastrophic case. Either upon admission or when the charge master reaches \$30,000, the utilization review staff or discharge planning staff may contact the case management contractor (see *Key Contacts*). This services is designed to provide case management assistance to your hospital; not to supplant the services your staff provides.

Coverage of Specific Services (ARM 37.86.2902)

The following are coverage rules for specific inpatient hospital services. Inpatient hospital services included in the diagnosis related group (DRG) payment methodology include all routine services such as the following:

- Bed and board
- Nursing services and other related services
- Use of hospital facilities
- Medical social services
- Drugs, biologicals, supplies, appliances and equipment furnished by the hospital for the care and treatment of inpatients
- Other diagnostic or therapeutic items or services provided in the hospital that are not specifically excluded (see *Non-Covered Services* in this chapter)

Abortions (ARM 37.86.104)

Abortions are covered when one of the following conditions are met:

- The client's life would be endangered if the fetus is carried to term.
- The pregnancy is the result of rape or incest.
- The abortion is determined by the attending physician to be medically necessary, even if the client's life is not endangered if the fetus is carried to term.

A completed *Medicaid Recipient/Physician Abortion Certification* (MA-37) form must be submitted with every abortion claim or payment will be denied (see *Appendix A: Forms*). Complete only one part (I, II, or III) of this form; the part used must be clearly indicated on the form. This form is the only form Medicaid accepts for abortion services.

When using mifepristone (Mifeprex or RU 486) to terminate a pregnancy, it must be administered within 49 days from the beginning of the last menstrual period by or under the supervision of a physician who:

- Can assess the duration of a pregnancy.
- Can diagnose ectopic pregnancies.
- Can provide surgical intervention in cases of incomplete abortion or severe bleeding, or can provide such care through other qualified physicians.
- Can assure access to medical facilities equipped to provide blood transfusion and resuscitation.
- Has read, understood and explained to the client the prescribing information for mifepristone.

Air transports

Air transport providers must be registered with Medicaid as an ambulance provider. Claims for these services are billed on a CMS-1500 claim form. See the *Ambulance Services* manual available on the Provider Information website (see *Key Contacts*).

Chemical dependency treatment

Chemical dependency services are limited. Providers must be approved by the Department before providing this service. Contact the Chemical Dependency Bureau for more information (see *Key Contacts*).

Detoxification

Detoxification services are covered for up to four days. More than four days may be covered if a hospital setting is required and the service has been authorized (see the *PASSPORT and Prior Authorization* chapter in this manual). Services may also be covered if the authorization contractor determines that the client has a concomitant condition that must be treated in an inpatient hospital setting, and the detoxification treatment is a necessary adjunct to the treatment of the concomitant condition.

Discharges

A hospital's utilization review (UR) committee must comply with the Code of Federal Regulations 42 CFR 456.131 through 42 CFR 456.137 prior to notifying a Montana Medicaid client that he or she no longer needs medical care. The hospital is not required to obtain approval from Montana Medicaid at the client's discharge; however, a hospital's UR plan must provide written notice to Montana Medicaid if a client decides to stay in the hospital when it is not medically necessary (see *Hospital services beyond medical necessity* on the *Billing Procedures* chapter of this manual).

Donor transplants

Medicaid covers harvesting from organ donors and transplants, but does not cover expenses associated with the donor search process.

Emergency department admissions

Emergency medical services are those services required to treat and stabilize an emergency medical condition. A service is reimbursed as an emergency if the client has a qualifying emergency diagnosis or procedure code. A list of emergency diagnosis and procedure codes is available on the Provider Information website (see *Key Contacts*).

If an inpatient hospitalization is recommended for stabilization, the hospital must contact the client's PASSPORT provider. If the provider does not respond within 60 minutes, the inpatient stay will be reimbursed after documentation is sent to the PASSPORT program officer (see *Key Contacts*) for review. The documentation must include the time an attempt was made to reach the provider and the time the inpatient hospitalization began. There must be a 60 minute time lapse between these two events.

Mental health services

Medicaid covers inpatient mental health services for Medicaid-enrolled clients when prior authorized (see the *PASSPORT and Prior Authorization* chapter in this manual). Inpatient hospital services are not covered for adults enrolled in the Mental Health Service Plan (MHSP) or children enrolled in the Children's Mental Health Service Plan (CMHSP). Some mental health services are included in the diagnosis related group (DRG) payment methodology and may not be billed separately. These services include the following:

- Services provided by a psychologist who is employed or under a contract with a hospital
- Services provided for purposes of discharge planning as required by 42 CFR 482.21
- Services that are required as a part of licensure or certification, including but not limited to group therapy

Mental health services provided by physicians and psychiatrists in an inpatient setting are the only services that can be billed separately. Providers should refer to the *Mental Health Manual* available on the Provider Information website.

Observation bed

Clients in observation beds (admission of 24 hours or less) are considered outpatients and claims should be filed accordingly. See the *Hospital Outpatient Services* manual available on the Provider Information website.

Out-of-state inpatient services (ARM 37.86.2801)

Medicaid covers treatment in an out-of-state facility only when all of the following requirements are met:

- The client cannot be treated in state, and the provider contacts the authorization contractor to determine if services are available in Montana before considering placement in an out-of-state facility.
- The provider received prior authorization for out-of-state services **before** the client is sent to an out-of-state hospital. See the *PASSPORT and Prior Authorization* chapter in this manual for more information.

It is not the intent of the Montana Medicaid program to interfere or delay a transfer when a physician has determined a situation to be emergent. Prior authorization is not required in emergency situations. Emergency inpatient admissions must be authorized within 48 hours of admission to an out-of-state hospital.

If a hospital that is located over 100 miles outside of the borders of Montana fails to obtain prior authorization before providing services to a Montana Medicaid client, retrospective authorization may be granted under the following circumstances only:

- The Montana Medicaid client qualifies for retroactive eligibility for Montana Medicaid hospital benefits.
- The hospital is retroactively enrolled as a Montana Medicaid provider during the dates of service for which authorization is requested.
- The hospital can document that at the time of admission it did not know, or have any basis to assume, that the client was a Montana Medicaid client

Readmissions

All readmissions occurring within 30 days are subject to review to determine whether additional payment as a new DRG or as an outlier is warranted. If complications have arisen because of premature discharge and/or other treatment errors, then the DRG payment for the first admission must be combined

All out-of-state hospital services require prior authorization and may require PASSPORT provider approval before services are provided.

with the current admission before billing Medicaid. If the readmission is for the treatment of conditions that could or should have been treated during the previous admission, the Department will combine the two admissions.

A client readmission occurring in an inpatient rehabilitating hospital within 72 hours of discharge must be combined into one admission, with the exception of discharge to an acute care hospital for surgical DRGs.

Services provided by interns or residents-in-training (ARM 37.86.2902)

Medicaid covers medical or surgical services provided by interns or resident-in-training only when they are provided in hospitals with teaching programs approved by one of the following:

- Council on Medical Education of the American Medical Association
- Bureau of Professional Education of the American Osteopathic Association
- Council on Dental Education of the American Dental Association
- Council on Podiatry Education of the American Podiatry Association

Sterilization (ARM 37.86.104)

Elective Sterilization

Elective sterilizations are sterilizations done for the purpose of becoming sterile. Medicaid covers elective sterilization for men and women when all of the following requirements are met:

1. Client must complete and sign the *Informed Consent to Sterilization* (MA-38) form at least 30 days, but not more than 180 days, prior to the sterilization procedure. This form is the **only** form Medicaid accepts for elective sterilizations (see *Appendix A Forms* for the form and instructions). If this form is not properly completed, payment will be denied.

The 30-day waiting period may be waived for either of the following reasons:

- **Premature Delivery.** The *Informed Consent to Sterilization* must be completed and signed by the client at least 30 days prior to the estimated delivery date and at least 72 hours prior to the sterilization.
- **Emergency Abdominal Surgery.** The *Informed Consent to Sterilization* form must be completed and signed by the client at least 72 hours prior to the sterilization procedure.

2. Client must be at least 21 years of age when signing the form.

3. Client must not have been declared *mentally incompetent* (see *Definitions*) by a federal, state or local court, unless the client has been declared competent to specifically consent to sterilization.
4. Client must not be confined under civil or criminal status in a correctional or rehabilitative facility, including a psychiatric hospital or other correctional facility for the treatment of the mentally ill.

Before performing a sterilization, the following requirements must be met:

- The client must have the opportunity to have questions regarding the sterilization procedure answered to his/her satisfaction.
- The client must be informed of his/her right to withdraw or withhold consent anytime before the sterilization without being subject to retribution or loss of benefits.
- The client must be made aware of available alternatives of birth control and family planning.
- The client must understand the sterilization procedure being considered is irreversible.
- The client must be made aware of the discomforts and risks which may accompany the sterilization procedure being considered.
- The client must be informed of the benefits and advantages of the sterilization procedure.
- The client must know that he/she must have at least 30 days to reconsider his/her decision to be sterilized.
- An interpreter must be present and sign for those clients who are blind, deaf, or do not understand the language to assure the person has been informed.

Informed consent for sterilization may not be obtained under the following circumstances:

- If the client is in labor or childbirth.
- If the client is seeking or obtaining an abortion.
- If the client is under the influence of alcohol or other substance which affects his/her awareness.

Medically Necessary Sterilization

When sterilization results from a procedure performed to address another medical problem, it is considered a medically necessary sterilization. These procedures include hysterectomies, oophorectomies, salpingectomies and orchiectomies. Every claim submitted to Medicaid for a medically necessary sterilization must be accompanied by one of the following:

- A completed *Medicaid Hysterectomy Acknowledgement* form (MA- 39) for each provider submitting a claim. See *Appendix A*

Forms. It is the provider's responsibility to obtain a copy of the form from the primary or attending physician. Complete only one section (A, B, or C) of this form. When no prior sterility (section B) or life-threatening emergency (section C) exists, the client and physician must sign and date section A of this form prior to the procedure (see 42 CFR 441.250 for the federal policy on hysterectomies and sterilizations). Also, for section A, signatures dated after the surgery date require manual review of medical records by the Department. The Department must verify that the client (and representative, if any) was informed orally and in writing, prior to the surgery, that the procedure would render the client permanently incapable of reproducing. The client does not need to sign this form when sections B or C are used. Please refer to *Appendix A* for more detailed instructions on completing the form.

- For clients who have become retroactively eligible for Medicaid, the physician must certify in writing that the surgery was performed for medical reasons and must document one of the following:
 - The individual was informed prior to the hysterectomy that the operation would render the client permanently incapable of reproducing.
 - The reason for the hysterectomy was a life-threatening emergency.
 - The client was already sterile at the time of the hysterectomy and the reason for prior sterility.

When submitting claims for retroactively eligible clients, attach a copy of the FA-455 (Eligibility determination letter) to the claim if the date of service is more than 12 months earlier than the date the claim is submitted.

Transfers

All diagnostic services are included in the DRG payment. Diagnostic services that are performed at a second DRG hospital, because the services are not available at the first hospital (E.G., a CT scan), are included in the first hospital's DRG payment. This includes transportation to the second hospital and back to the first hospital. Arrangement for payment to the transportation provider and the second hospital where the services were actually performed must be between the first and second hospital and the transportation provider.

All transfers are subject to review for medical necessity. The initial hospitalization, all subsequent hospitalizations, and the medical necessity for the transfer itself may be reviewed. For information on billing and payment for transfers, see the *Billing Procedures* and *Payment* chapters in this manual.

Transplants (ARM 37.86.4701 - 37.86.4705)

Prior authorization is required for all transplant services (see the *PASSPORT and Prior Authorization* chapter in this manual). Medicaid covers only the following organ transplantation services for clients over the age of 21:

- Allogenic and autologous bone marrow
- Kidney (includes thoracic duct drainage and dental exam, but does not include kidney/pancreas combination transplants)
- Cornea
- Lymphocyte immune globulin preparation

Organ transplantation includes the transplant surgery and those activities directly related to the transplantation. These activities must be performed at a Medicare approved transplant facility. These activities may include:

- Evaluation of the client as a potential transplant candidate
- Pre-transplant preparation including histocompatibility testing procedures
- Post surgical hospitalization
- Outpatient care, including federal drug administration (FDA) approved medications deemed necessary for maintenance or because of resulting complications

Providers should refer to ARM 37.86.4705 for more information on the coverage of transplant services.

Non-covered services (ARM 37.85.207 and 37.86.2902)

The following is a list of services not covered by Medicaid. Some of these services may be covered under the EPSDT program for children age 20 and younger based on medical necessity or for individuals covered under the Qualified Medicare Beneficiary (QMB) program (see the *Eligibility* chapter in the *General Information For Providers* manual).

- Acupuncture
- Chiropractic services
- Dietician/nutritional services
- Massage services
- Dietary supplements
- Homemaker services
- Infertility treatment
- Delivery services not provided in a licensed health care facility unless as an emergency service
- Administrative days (These are days of inpatient hospital service for which an inpatient hospital level of care is not necessary. A lower level of care is necessary, and an appropriate placement is not available.)

- Inpatient hospital services beyond the period of medical necessity (see the *Billing Procedures* chapter in this manual)
- Inpatient hospital services provided outside the United States
- Naturopath services
- Services provided by surgical technicians who are not physicians or mid-level practitioners
- All gastric bypass related services (including initial bypass and revisions)
- Circumcisions not authorized by the Department as medically necessary
- Services considered experimental or investigational (Phase II clinical trials are considered experimental and therefore are not covered.)
- Claims for pharmaceuticals and supplies only
- Services provided to Medicaid clients who are absent from the state, with the following exceptions:
 - Medical emergency
 - Required medical services are not available in Montana. PASSPORT approval is required and prior authorization may also be required for certain services (see the *PASSPORT and Prior Authorization* chapter in this manual).
 - If the Department has determined that the general practice for clients in a particular area of Montana is to use providers in another state
 - When out-of-state medical services and all related expenses are less costly than in-state services
 - When Montana makes adoption assistance or foster care maintenance payments for a client who is a child residing in another state
- Services that are not medically necessary. The Department may review for medical necessity at any time before or after payment. The Medicaid client is financially responsible for these services and the Department recommends the client agree in writing before the services are provided. See *When to Bill a Medicaid Clients* in the *Billing Procedures* chapter of this manual.
- Donor search expenses
- Autopsies

Other Programs

This is how the information in this chapter applies to Department programs other than Medicaid.

Mental Health Services Plan (MHSP)

This chapter does not apply to clients who are enrolled in the Mental Health Services Plan (MHSP). Providers will find more information on mental health services in the *Mental Health* manual available on the Provider Information website (see *Key Contacts*).

Children's Health Insurance Plan (CHIP)

The information in this chapter does not apply to CHIP clients. Hospital inpatient services for children with CHIP coverage are covered by the BlueCHIP plan of BlueCross BlueShield of Montana (BCBSMT). For more information contact BCBSMT at (800) 447-7828 x8647 or (406) 447-8647. Additional information regarding CHIP is available on the *CHIP* website (see *Key Contacts*).

PASSPORT and Prior Authorization

What Are PASSPORT, Team Care and Prior Authorization? (ARM 37.85.205 and 37.86.5101 - 5120)

PASSPORT To Health, prior authorization (PA) and the Team Care Program are examples of the Department's efforts to ensure the appropriate use of Medicaid services. In most cases, providers need approval before services are provided to a particular client. For more information, see the *PASSPORT and Prior Authorization* chapter in the *General Information For Providers* manual available on the Provider Information website. Most hospital inpatient services require approval from the client's PASSPORT provider before providing the service (see *Appendix A: Medicaid Covered Services* in the *General Information for Providers* manual).

- **PASSPORT To Health Managed Care Program** is Montana Medicaid's Primary Care Case Management (PCCM) Program. Under PASSPORT, Medicaid clients choose one primary care provider and develop an ongoing relationship that provides a "medical home." With some exceptions, all services to PASSPORT clients must be provided or approved by the PASSPORT provider. Most Montana Medicaid clients must participate in PASSPORT with only a few exceptions. Client eligibility information denotes whether the client is enrolled in PASSPORT (for instructions on checking eligibility, see the *General Information For Providers* manual). The PASSPORT Program saves the Medicaid Program approximately \$20 million each year. These savings allow improved benefits elsewhere in the Medicaid Program. For more information on PASSPORT To Health, see the *General Information For Providers* manual, *PASSPORT and Prior Authorization* chapter.
- **Team Care** is a utilization control and management program designed to educate clients on how to effectively use the Medicaid system. Clients with a history of using services at an amount or frequency that is not medically necessary are enrolled in Team Care. These clients must enroll in PASSPORT, select a PASSPORT primary care provider (PCP) and a single pharmacy, and call the Nurse First Advice Line prior to accessing Medicaid health services (except for emergency services). These clients receive extensive outreach and education from Nurse First nurses and are instructed on the proper use of the Montana Medicaid healthcare system. Team care is a component of the PASSPORT program, and all PASSPORT rules and guidelines apply to these clients. For more information on the Team Care Program and Nurse First, see the *General Information For Providers* manual or the *Team Care* page on the Provider Information website (see *Key Contacts*).



Different codes are issued for PASSPORT approval and prior authorization, and both must be recorded on the claim.



Medicaid does not pay for services when prior authorization or PASSPORT requirements are not met.

- **Prior authorization** refers to a list of services. If a service requires prior authorization, the requirement exists for all Medicaid clients. When prior authorization is granted, the provider is issued a PA number which must be on the claim.

PASSPORT and Emergency Services

If inpatient hospitalization is recommended as post stabilization treatment, the hospital must get a referral from the client's PASSPORT provider. If the hospital attempts to contact the PASSPORT provider and does not receive a response within 60 minutes, authorization is assumed. To be paid for these services, send the program officer documentation that clearly shows the time of the attempt to reach the PASSPORT provider and the time of the initiation of post stabilization treatment (see *Key Contacts*). There must be a 60 minute time lapse between these two events. More information on emergency services can be found in the *Covered Services* chapter of this manual.

Prior Authorization

Some services require prior authorization (PA) before they are provided. When seeking PA, keep in mind the following:

- The referring provider should initiate all authorization requests.
- When requesting PA for clients with partial eligibility, request PA from the first date the client was Medicaid eligible, not the first date of the client's hospital stay.
- The following table (*PA Criteria for Specific Services*) lists services that require PA, who to contact, and specific documentation requirements.
- Have all required documentation included in the packet before submitting a request for PA (see the following *PA Criteria for Specific Services* table for documentation requirements).
- When PA is granted, providers will receive notification containing a PA number. This PA number must be included on the claim (form locator 63 on the UB-92 paper claim form).

Prior authorization is not required in emergency situations. Emergent admission must be authorized within 48 hours of admission.



PA Criteria for Specific Services		
Service	PA Contact	Documentation Requirements
<ul style="list-style-type: none"> • All transplant services • Out-of-state hospital inpatient services • Therapy services over limit for children • Chemical dependency treatment over the four-day limit • New technology codes (Category III CPT codes) • Other reviews referred by Medicaid program staff 	<p>Mountain-Pacific Quality Health Foundation 3404 Cooney Drive Helena, MT 59602</p> <p>Phone: (406) 443-4020 X5850 Helena (800) 262-1545 X5850 In and out-of-state</p> <p>Fax: (406) 443-4585 Helena (800) 497-8235 In and out of state</p>	<ul style="list-style-type: none"> • Required information includes: <ul style="list-style-type: none"> • Client's name • Client's Medicaid ID number • State and hospital where client is going • Documentation that supports medical necessity. This varies based on circumstances. Mountain-Pacific Quality Health Foundation will instruct providers on required documentation on a case-by-case basis.
<ul style="list-style-type: none"> • Inpatient hospital services for psychiatric diagnosis 	<p>First Health Services 4300 Cox Road Glen Allen, VA 23060</p> <p>Phone: (800) 770-3084</p> <p>Fax: (800) 639-8982 Fax (800) 247-3844 Fax</p>	<ul style="list-style-type: none"> • Client's diagnosis • Summary of reason the client was admitted
<ul style="list-style-type: none"> • Partial hospitalization 	<p>First Health Services 4300 Cox Road Glen Allen, VA 23060</p> <p>Phone: (800) 770-3084</p> <p>Fax: (800) 639-8982 Fax (800) 247-3844 Fax</p>	<ul style="list-style-type: none"> • A certificate of need must be completed, signed, and dated no more than 30 days prior to the date of admission. • The certificate must be completed by a team of health care professionals that have competence in the diagnosis and treatment of mental illness and the client's psychiatric condition.

PA Criteria for Specific Services (continued)		
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Service	PA Contact	Documentation Requirements
<ul style="list-style-type: none"> Transportation (scheduled ambulance transport, commercial and specialized non-emergency transportation) <p>(For emergency ambulance transport services, providers have 60 days following the service to obtain authorization . See the <i>Ambulance</i> manual).</p>	<p>Mountain-Pacific Quality Health Foundation Medicaid Transportation P.O. Box 6488 Helena, MT 59604</p> <p>Phone: (800) 292-7114</p> <p>Fax: (800) 291-7791</p> <p>E-Mail: ambulance@mpqhf.org</p>	<ul style="list-style-type: none"> Ambulance providers may call, leave a message, fax, or E-mail requests. Required information includes: <ul style="list-style-type: none"> Name of transportation provider Provider's Medicaid ID Number Client's name Client's Medicaid ID number Point of origin to the point of destination Date and time of transport Reason for transport Level of services to be provided during transport (e.g., BLS, ALS, mileage, oxygen, etc.) Providers must submit the trip report and copy of the charges for review after transport. For commercial or private vehicle transportation, clients call and leave a message, or fax travel requests prior to traveling.
<ul style="list-style-type: none"> Eye prosthesis 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> Documentation that supports medical necessity Documentation regarding the client's ability to comply with any required after care Letters of justification from referring physician Documentation should be provided at least two weeks prior to the procedure date.
<ul style="list-style-type: none"> Circumcision 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> Requests are reviewed case-by-case basis based on medical necessity when one of the following occurs: <ul style="list-style-type: none"> Client has scarring of the opening of the foreskin making it non-retractable (pathological phimosis). This is unusual before five years of age. Phimosis must be treated with non-surgical methods (i.e., topical steroids) before circumcision is indicated. Documented recurrent, troublesome episodes of infection beneath the foreskin (balanoposthitis) that does not respond to other non-invasive treatments and/or sufficient hygiene Urinary obstruction Urinary tract infections

PA Criteria for Specific Services (continued)

Service	PA Contact	Documentation Requirements																		
<ul style="list-style-type: none">• Maxillofacial/cranial surgery	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none">• Surgical services are only covered when done to restore physical function or to correct physical problems resulting from injuries or congenital defects.• Documentation requirements include a letter from the attending physician documenting:<ul style="list-style-type: none">• Client’s condition• Proposed treatment• Reason treatment is medically necessary• Medicaid does not cover these services for the following:<ul style="list-style-type: none">• Improvement of appearance or self-esteem (cosmetic)• Dental implants• Orthodontics																		
<ul style="list-style-type: none">• Blepharoplasty	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none">• Reconstructive blepharoplasty may be covered for the following:<ul style="list-style-type: none">• Correct visual impairment caused by drooping of the eyelids (ptosis)• Repair defects caused by trauma-ablative surgery (ectropion/entropion corneal exposure)• Treat periorbital sequelae of thyroid disease and nerve palsy• Relieve painful symptoms of blepharospasm (uncontrollable blinking).• Documentation must include the following:<ul style="list-style-type: none">• Surgeon must document indications for surgery• When visual impairment is involved, a reliable source for visual-field charting is recommended• Complete eye evaluation• Pre-operative photographs• Medicaid does not cover cosmetic blepharoplasty																		
<ul style="list-style-type: none">• Botox Myobloc	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none">• For more details on botox criteria, coverage, and limitations, visit the Provider Information website (see <i>Key Contacts</i>)• Botox is covered for treating the following:<table><tr><td>Laryngeal spasm</td><td>Multiple Sclerosis</td></tr><tr><td>Blepharospasm</td><td>Spastic hemiplegia</td></tr><tr><td>Hemifacial spasm of the nerve</td><td>Infantile cerebral palsy</td></tr><tr><td>Torticollis, unspecified</td><td>Other specified infantile cerebral palsy</td></tr><tr><td>Torsion dystonia</td><td>Achalasia and cardiospasm</td></tr><tr><td>Fragments of dystonia</td><td>Spasm of muscle</td></tr><tr><td>Hereditary spastic paraplegia</td><td>Hyperhidrosis</td></tr><tr><td>Strabismus and other disorders of binocular eye movements</td><td></td></tr><tr><td>Other demyelinating diseases of the central nervous system</td><td></td></tr></table>• Documentation requirements include a letter from the attending physician supporting medical necessity including:<ul style="list-style-type: none">• Client’s condition (diagnosis)• A statement that traditional methods of treatments have been tried and proven unsuccessful• Proposed treatment (dosage and frequency of injections)• Support the clinical evidence of the injections• Specify the sites injected• Myobloc is reviewed on a case-by-case basis	Laryngeal spasm	Multiple Sclerosis	Blepharospasm	Spastic hemiplegia	Hemifacial spasm of the nerve	Infantile cerebral palsy	Torticollis, unspecified	Other specified infantile cerebral palsy	Torsion dystonia	Achalasia and cardiospasm	Fragments of dystonia	Spasm of muscle	Hereditary spastic paraplegia	Hyperhidrosis	Strabismus and other disorders of binocular eye movements		Other demyelinating diseases of the central nervous system	
Laryngeal spasm	Multiple Sclerosis																			
Blepharospasm	Spastic hemiplegia																			
Hemifacial spasm of the nerve	Infantile cerebral palsy																			
Torticollis, unspecified	Other specified infantile cerebral palsy																			
Torsion dystonia	Achalasia and cardiospasm																			
Fragments of dystonia	Spasm of muscle																			
Hereditary spastic paraplegia	Hyperhidrosis																			
Strabismus and other disorders of binocular eye movements																				
Other demyelinating diseases of the central nervous system																				

PA Criteria for Specific Services (continued)
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Service	PA Contact	Documentation Requirements
<ul style="list-style-type: none"> • Excising excessive skin and subcutaneous tissue 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> • Required documentation includes the following: <ul style="list-style-type: none"> • The referring physician and surgeon must document the justification for the resection of skin and fat redundancy following massive weight loss. • The duration of symptoms of at least six months and the lack of success of other therapeutic measures • Pre-operative photographs • This procedure is contraindicated for, but not limited to, individuals with the following conditions: <ul style="list-style-type: none"> • Severe cardiovascular disease • Severe coagulation disorders • Pregnancy • Medicaid does not cover cosmetic surgery to reshape the normal structure of the body or to enhance a client's appearance.
<ul style="list-style-type: none"> • Rhinoplasty septorhinoplasty 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> • The following do not require PA: <ul style="list-style-type: none"> • Septoplasty to repair deviated septum and reduce nasal obstruction • Surgical repair of vestibular stenosis to repair collapsed internal valves to treat nasal airway obstruction • Medicaid covers rhinoplasty in the following circumstances: <ul style="list-style-type: none"> • To repair nasal deformity caused by a cleft lip/cleft palate deformity for clients 18 years of age and younger • Following a trauma (e.g. a crushing injury) which displaced nasal structures and causes nasal airway obstruction. • Documentation requirements include a letter from the attending physician documenting: <ul style="list-style-type: none"> • Client's condition • Proposed treatment • Reason treatment is medically necessary • Not covered <ul style="list-style-type: none"> • Cosmetic rhinoplasty done alone or in combination with a septoplasty • Septoplasty to treat snoring
<ul style="list-style-type: none"> • Dermabrasion/abrasion chemical peel 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> • Services covered for the following: <ul style="list-style-type: none"> • Treating severe, deep acne scarring not responsive to conservative treatment. All conservative treatments must have been attempted and documented for at least six months before medical necessity is determined. • The removal of pre-cancerous skin growths (keratoses) • Documentation requirements include a letter from the attending physician documenting: <ul style="list-style-type: none"> • Client's condition • Proposed treatment • Reason treatment is medically necessary • Pre-operative photographs

PA Criteria for Specific Services (continued)		
Service	PA Contact	Documentation Requirements
<ul style="list-style-type: none"> • Temporomandibular joint (TMJ) arthroscopy/surgery 	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none"> • Non-surgical treatment for TMJ disorders must be utilized first to restore comfort and improve jaw function to an acceptable level. Non-surgical treatment may include the following in any combination depending on the case: <ul style="list-style-type: none"> • Fabrication and insertion of an intra-oral orthotic • Physical therapy treatments • Adjunctive medication • Stress management • Surgical treatment may be considered when both of the following apply: <ul style="list-style-type: none"> • Other conservative treatments have failed (must be documented), and chronic jaw pain and dysfunction have become disabling. Conservative treatments must be utilized for six months before consideration of surgery. • There are specific, severe structural problems in the jaw joint. These include problems that are caused by birth defects, certain forms of internal derangement caused by misshapen discs, or degenerative joint disease. For surgical consideration, arthrograph results must be submitted for review. • Not covered: <ul style="list-style-type: none"> • Botox injections for the treatment of TMJ are considered experimental. • Orthodontics to alter the bite • Crown and bridge work to balance the bite • Bite (occlusal) adjustments

PA Criteria for Specific Services (continued)

Service	PA Contact	Documentation Requirements										
<ul style="list-style-type: none">• Reduction mammo-plasty	<p>Surveillance/Utilization Review Section P.O. Box 202953 Helena, MT 59620-2953</p> <p>Phone: For clients with last names beginning with A - L, call: (406) 444-3993 In/out-of-state</p> <p>For clients with last names beginning with M - Z, call: (406) 444-0190 In/out-of-state</p> <p>Fax: (406) 444-0778</p>	<ul style="list-style-type: none">• Both the referring physician and the surgeon must submit documentation.• Back pain must have been documented and present for at least six months, and causes other than breast weight must have been excluded.• Indications for female client:• Contraindicated for pregnant women and lactating mothers. A client must wait six months after the cessation of breast feeding before requesting this procedure.• Female client 16 years or older with a body weight less than 1.2 times the ideal weight.• There must be severe, documented secondary effects of large breasts, unresponsive to standard medical therapy administered over at least a six month period. This must include at least two of the following conditions:<ul style="list-style-type: none">• Upper back, neck, shoulder pain that has been unresponsive to at least six months of documented and supervised physical therapy and strengthening exercises• Paresthesia radiating into the arms. If parathesia is present, a nerve conduction study must be submitted.• Chronic intertrigo (a superficial dermatitis) unresponsive to conservative measures such as absorbent material or topical antibiotic therapy. Document extent and duration of dermatological conditions requiring antimicrobial therapy.• Significant shoulder grooving unresponsive to conservative management with proper use of appropriate foundation garments which spread the tension of the support and lift function evenly over the shoulder, neck and upper back. <p>Documentation in the client’s record must indicate and support the following:</p> <ul style="list-style-type: none">• History of the client’s symptoms related to large, pendulous breasts.• The duration of the symptoms of at least six months and the lack of success of other therapeutic measures (e.g., documented weight loss programs with six months of food and calorie intake diary, medications for back/neck pain, etc.).• Guidelines for the anticipated weight of breast tissue removed from each breast related to the client’s height (which must be documented): <table><tr><th>Height</th><th>Weight of tissue per breast</th></tr><tr><td>less than 5 feet</td><td>250 grams</td></tr><tr><td>5 feet to 5 feet, 2 inches</td><td>350 grams</td></tr><tr><td>5 feet, 2 inches to 5 feet, 4 inches</td><td>450 grams</td></tr><tr><td>greater than 5 feet, 4 inches</td><td>500 grams</td></tr></table> <ul style="list-style-type: none">• Pre-operative photographs of the pectoral girdle showing changes related to macromastia.• Medication use history. Breast enlargements may be caused by various medications (e.g., sironolactone, cimetidine) or illicit drug abuse (e.g., marijuana, heroin, steroids). Although rare in women, drug effects should be considered as causes of breast enlargement prior to surgical treatment since the problem may recur after the surgery if the drugs are continued. Increased prolactin levels can cause breast enlargement (rare). Liver disease, adrenal or pituitary tumors may also cause breast enlargement and should also be considered prior to surgery.• Indications for male client:• If the condition persists, a client may be considered a good candidate for surgery. Clients who are alcoholic, illicit drug abusers (e.g., steroids, heroin, marijuana) or overweight are not good candidates for the reduction procedure until they attempt to correct their medical problem first.• Documentation required: length of time gynecomastia has been present, height, weight, and age of the client, pre-operative photographs	Height	Weight of tissue per breast	less than 5 feet	250 grams	5 feet to 5 feet, 2 inches	350 grams	5 feet, 2 inches to 5 feet, 4 inches	450 grams	greater than 5 feet, 4 inches	500 grams
Height	Weight of tissue per breast											
less than 5 feet	250 grams											
5 feet to 5 feet, 2 inches	350 grams											
5 feet, 2 inches to 5 feet, 4 inches	450 grams											
greater than 5 feet, 4 inches	500 grams											

Other Programs

Clients who are enrolled in the Mental Health Services Plan (MHSP) or the Children's Health Insurance Plan (CHIP) are not enrolled in PASSPORT, so the PASSPORT requirements in this chapter do not apply. However, prior authorization may be required for certain services. Refer to the *Mental Health* manual.

For more CHIP information, contact BlueCross BlueShield of Montana at (800) 447-7828 x8647. Additional CHIP information is available on the Provider Information website (see *Key Contacts*).

Coordination of Benefits

When Clients Have Other Coverage

Medicaid clients often have coverage through Medicare, workers' compensation, employment-based coverage, individually purchased coverage, etc. Coordination of benefits is the process of determining which source of coverage is the primary payer in a particular situation. In general, providers must bill other carriers before billing Medicaid, but there are some exceptions (see *Exceptions to Billing Third Party First* later in this chapter). Medicare coverage is processed differently than other sources of coverage.

Identifying Other Sources of Coverage

The client's Medicaid eligibility verification may identify other payers such as Medicare or other third party payers (see *Client Eligibility and Responsibilities* in the *General Information For Providers* manual). If a client has Medicare, the Medicare ID number is provided. If a client has other coverage (excluding Medicare), it will be shown under the "TPL" section. Some examples of third party payers include:


- Private health insurance
- Employment-related health insurance
- Workers' compensation insurance*
- Health insurance from an absent parent
- Automobile insurance*
- Court judgments and settlements*
- Long term care insurance

*These third party payers (and others) may **not** be listed on the client's eligibility verification.

Providers must use the same procedures for locating third party sources for Medicaid clients as for their non-Medicaid clients. Providers cannot refuse service because of a third party payer or potential third party payer.

When a Client Has Medicare

Medicare claims are processed and paid differently than claims involving other payers. The other sources of coverage are referred to as "third party liability" (TPL), but Medicare is not.



Medicare Part A crossover claims do not automatically cross over from Medicare.


Medicare Part A claims

Medicare Part A covers inpatient hospital care, skilled nursing care and other services. To date, arrangements have not been made with Medicare Part A carriers for electronic exchange of claims covering Part A services. Providers must submit the claim first to Medicare. After Medicare processes the claim, an Explanation of Medicare Benefits (EOMB) is sent to the provider. The provider then reviews the EOMB, and submits the claim to Medicaid on paper.

When Medicare pays or denies a service

When inpatient hospital claims for clients with Medicare and Medicaid:

- Are paid, submit the claim to Medicaid on a UB-92 form with the Medicare coinsurance and deductible information in the “Value Codes” form locators (39-41) and Medicare paid amounts in the “Prior Payments” form locator (54). See the *Billing Procedures* and *Completing a Claim* chapters in this manual.
- Are allowed, and the allowed amount went toward client’s deductible, include the deductible information in the “Value Codes” form locators (39-41) and submit the claim to Medicaid on paper.
- Are denied, the provider submits a paper claim to Medicaid with the Medicare EOMB and the explanation of denial codes attached. If Medicare denies a claim because the service was not medically necessary, Medicaid will also deny the claim.



When billing Medicaid for a client with coverage from multiple sources, see the *Billing Procedures* chapter in this manual.

When submitting electronic claims with paper attachments, see *Billing Electronically with Paper Attachments* in the *Submitting a Claim* chapter in this manual.

Submitting Medicare claims to Medicaid

When submitting a paper claim to Medicaid, use Medicaid billing instructions and codes. Medicare’s instructions, codes, and modifiers may not be the same as Medicaid’s. The claim must include the Medicaid provider number and Medicaid client ID number. The Medicare EOMB and explanation of denial codes are required only if the claim was denied.

When a Client Has TPL (ARM 37.85.407)

When a Medicaid client has additional medical coverage (other than Medicare), it is often referred to as third party liability (or TPL). In most cases, providers must bill other insurance carriers before billing Medicaid.

Providers are required to notify their clients that any funds the client receives from third party payers equal to what Medicaid paid (when the services were billed to Medicaid) must be turned over to the Department. Amounts in excess of what Medicaid paid must be returned to the provider. The following words printed on

the client's statement will fulfill this requirement: "When services are covered by Medicaid and another source, any payment the client receives from the other source must be turned over to Medicaid."

Exceptions to billing third party first

In a few cases, providers may bill Medicaid first.

- When a Medicaid client is also covered by Indian Health Service (IHS) or the Montana Crime Victim's Compensation Fund, providers must bill Medicaid before IHS or Crime Victim's. These are not considered third party liability.
- When a client has Medicaid eligibility and Mental Health Services Plan (MHSP) eligibility for the same month, Medicaid must be billed before MHSP.
- If the third party has only potential liability, such as automobile insurance, the provider may bill Medicaid first. Do not indicate the potential third party on the claim form. Instead, notify the Department of the potential third party by sending the claim and notification to the Department Third Party Liability Unit:

Third Party Liability Unit
Department of Public Health & Human Services
P.O. Box 202953
Helena, MT 59620-2953

Requesting an exemption

Providers may request to bill Medicaid first under certain circumstances. In each of these cases, the claim and required information must be sent directly to the ACS Third Party Liability Unit (see *Key Contacts*).

- If another insurance has been billed, and 90 days have passed with no response, attach a note to the claim explaining that the insurance company has been billed (or a copy of the letter sent to the insurance company). Include the date the claim was submitted to the insurance company and certification that there has been no response.
- When the provider has billed the third party insurance and has received a non-specific denial (e.g., no client name, date of service, amount billed), submit the claim with a copy of the denial and a letter of explanation directly to Medicaid in order to avoid missing the timely filing deadline.
- When the child support enforcement division has required an absent parent to have insurance on a child, the claim can be submitted to Medicaid when the following requirements are met:
 1. The third party carrier has been billed, and 30 days or more have passed since the date of service.

2. The claim is accompanied by a certification that the claim was billed to the third party carrier, and payment or denial has not been received.

When the third party pays or denies a service

When a third party payer is involved (excluding Medicare) and the other payer:

- Pays the claim, indicate the amount paid in the “prior payments” form locator of the claim when submitting to Medicaid for processing.
- Allows the claim, and the allowed amount went toward client’s deductible, include the insurance Reason and Remarks (formerly EOB) when billing Medicaid. These claims may be submitted on paper or electronically with the paper attachment mailed in separately. A paper attachment cover sheet is available on the Provider Information website (see *Key Contacts*).
- Denies the claim, include a copy of the denial (including the denial reason codes) with the claim form, and submit to Medicaid on paper.

When the third party does not respond

If another insurance has been billed, and 90 days have passed with no response, bill Medicaid as follows:

- Attach to the paper claim a note explaining that the insurance company has been billed (or a copy of the letter sent to the insurance company).
- Include the date the claim was submitted to the insurance company.
- Send this information to the ACS Third Party Liability Unit (see *Key Contacts*).

Other Programs

This chapter does not apply to clients who are enrolled in the Mental Health Services Plan (MHSP). Providers will find more information on mental health services in the *Mental Health* manual available on the Provider Information website (see *Key Contacts*). The information in this chapter does not apply to clients enrolled in the Children’s Health Insurance Plan (CHIP). The CHIP Medical Manual is available through BlueCross BlueShield at (800) 447-7828 X8647.

If the provider receives a payment from a third party after the Department has paid the provider, the provider must return the lower of the two payments to the Department within 60 days.

For details on how Medicaid calculates payment for TPL claims, see the *How Payment Is Calculated* chapter in this manual.

Billing Procedures

Claim Forms

Services provided by the health care professionals covered in this manual must be billed either electronically or on a UB-92 claim form. UB-92 forms are available from various publishing companies; they are not available from the Department or Provider Relations.

Timely Filing Limits (ARM 37.85.406)

Providers must submit clean claims to Medicaid within the latest of:

- Twelve months from whichever is later:
 - the date of service
 - the date retroactive eligibility or disability is determined
- For claims involving Medicare or TPL, if the twelve month time limit has passed, providers must submit clean claims to Medicaid within:
 - **Medicare crossover claims:** Six months from the date on the Medicare explanation of benefits approving the service (if the Medicare claim was timely filed and the client was eligible for Medicare at the time the Medicare claim was filed).
 - **Claims involving other third party payers (excluding Medicare):** Six months from the date on an adjustment notice from a third party payer who has previously processed the claim for the same service, and the adjustment notice is dated after the periods described above.

Clean claims are claims that can be processed without additional information or action from the provider. The submission date is defined as the date that the claim was received by the Department or the claims processing contractor. All problems with claims must be resolved within this 12 month period.

Tips to avoid timely filing denials

- Correct and resubmit denied claims promptly (see the *Remittance Advices and Adjustments* chapter in this manual).
- If a claim submitted to Medicaid does not appear on the remittance advice within 45 days, contact Provider Relations for claim status (see *Key Contacts*).
- If another insurer has been billed and 90 days have passed with no response, you can bill Medicaid (see the *Coordination of Benefits* chapter in this manual for more information).

- To meet timely filing requirements for Medicare/Medicaid crossover claims, see the *Coordination of Benefits* chapter in this manual.

When To Bill Medicaid Clients (ARM 37.85.406)

In most circumstances, providers may not bill Medicaid clients for services covered under Medicaid. The main exceptions are that providers may collect cost sharing from clients and may bill clients for hospital services provided beyond the period of medical necessity.

More specifically, providers cannot bill clients directly:

- For the difference between charges and the amount Medicaid paid.
- For a covered service provided to a Medicaid-enrolled client who was accepted as a Medicaid client by the provider, even if the claim was denied.
- When the provider bills Medicaid for a covered service, and Medicaid denies the claim because of billing errors.
- When a third-party payer does not respond.
- When a client fails to arrive for a scheduled appointment. Medicaid may not be billed for no-show appointments.
- When services are free to the client, such as in a public health clinic. Medicaid may not be billed for those services.

Under certain circumstances, providers may need a signed agreement in order to bill a Medicaid client (see the following table).

When to Bill a Medicaid Client (ARM 37.85.406)			
	Client Is Medicaid Enrolled Provider Accepts Client as a Medicaid Client	Client Is Medicaid Enrolled Provider Does Not Accept Client as a Medicaid Client	Client Is Not Medicaid Enrolled
Service is covered by Medicaid	Provider can bill client only for cost sharing	Provider can bill Medicaid client if the client has signed a routine agreement	Provider can bill client
Service is not covered by Medicaid	Provider can bill client only if custom agreement has been made between client and provider before providing the service	Provider can bill Medicaid client if the client has signed a routine agreement	Provider can bill client

Routine Agreement: This may be a routine agreement between the provider and client which states that the client is not accepted as a Medicaid client, and that he or she must pay for the services received.

If a provider bills Medicaid and the claim is denied because the client is not eligible, the provider may bill the client directly.

Custom Agreement: This agreement lists the service and date the client is receiving the service and states that the service is not covered by Medicaid and that the client will pay for it.

Hospital services beyond medical necessity

The Montana Medicaid client who chooses to remain in the hospital beyond the period of medical necessity may choose to pay for continued inpatient care as a Montana Medicaid non-covered service. The client must have been informed in writing and agreed in writing prior to provision of services to accept financial responsibility. The agreement must state the specific services the Medicaid client has agreed to pay for. In this case, a routine agreement will not suffice.

A hospital's utilization review plan must provide written notice to Montana Medicaid if a Montana Medicaid client decides to stay in the hospital when it is not medically necessary. This written notice must be sent to the hospital program officer (see *Key Contacts*).

Client Cost Sharing (ARM 37.85.204 and 37.85.402)

Cost sharing for hospital inpatient services is \$100 per discharge. There is no cost sharing cap. Do not show cost sharing as a credit on the claim; it is automatically deducted during claims processing and is shown on the remittance advice.

The following clients are exempt from cost sharing:

- Clients under 21 years of age (i.e., EPSDT services)
- Pregnant women (until end of postpartum, which begins on the last day of pregnancy and ends at the end of the month in which 60 days have passed)
- Inpatients in a hospital, skilled nursing facility, intermediate care facility or other medical institution if the individual is required to spend all but their personal needs allowance on the cost of care.
- Medicaid clients who also have Medicare or another insurance are exempt from cost sharing if the service is allowed by Medicare or paid by the other insurance, and Medicaid is the secondary payer.

A provider cannot deny services to a Medicaid client because the client cannot pay cost sharing fees at the time services are rendered. However, the client's inability to pay cost sharing fees when services are rendered does not lessen the client's obligation. If a provider has a policy on collecting delinquent payment from non-Medicaid clients, that same policy may be used for Medicaid clients.



Providers must notify the Department when a client chooses to stay in the hospital when it is not medically necessary.



Client cost sharing for hospital inpatient services is \$100 per discharge.



Do not show cost sharing as a credit on the claim; it is automatically deducted.

Coding

Standard use of medical coding conventions is required when billing Medicaid. Provider Relations or the Department cannot suggest specific codes to be used in billing for services. For coding assistance and resources, see the following table of *Coding Resources*. The following suggestions may help reduce coding errors and unnecessary claim denials:

Always refer to the long descriptions in coding books.

- Use current versions of the ICD-9-CM manual, UB-92 Billing Manual, and the UB-92 Editor.
- Always read the complete description and guidelines in the coding books. Relying on short descriptions can result in inappropriate billing.
- Attend classes on coding offered by certified coding specialists.

Coding Resources		
Please note that the Department does not endorse the products of any particular publisher.		
Resource	Description	Contact
ICD-9-CM	<ul style="list-style-type: none"> • ICD-9-CM diagnosis and procedure codes definitions • Updated each October. 	Available through various publishers and bookstores
Miscellaneous resources	Various newsletters and other coding resources.	Medicode (Ingenix) (800) 765-6588 www.medicode.com or www.ingenixonline.com
UB-92 National Uniform Billing Data Element Specifications	Montana UB-92 billing instructions	MHA - An Association of Montana Health Care Providers (formerly Montana Hospital Assoc.) Box 5119 Helena, MT 59604 406-442-1911 phone 406-443-3984 fax
UB-92 Editor	National UB-92 billing instructions	Available through various publishers and editors.

Billing for Retroactively Eligible Clients

When a client becomes retroactively eligible for Medicaid, the hospital provider may:

- Accept the client as a Medicaid client from the current date.
- Accept the client as a Medicaid client from the date retroactive eligibility was effective.
- Require the client to continue as a private-pay client.

When the provider accepts the client's retroactive eligibility, the provider has 12 months from the date retroactive eligibility was determined to bill for those services. When submitting claims for retroactively eligible clients, attach a copy of

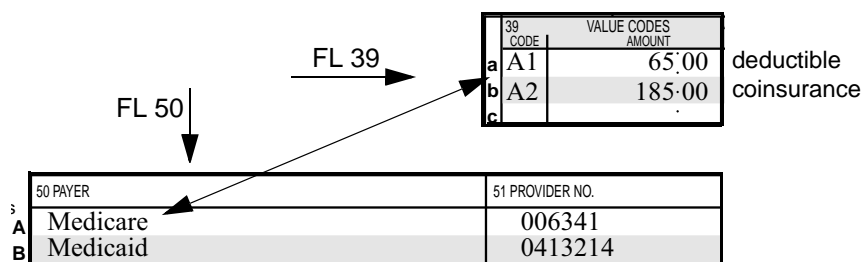
the FA-455 (eligibility determination letter) to the claim if the date of service is more than 12 months earlier than the date the claim is submitted. Providers may need to contact the client's local office of public assistance (see the *General Information For Providers* manual, *Appendix B: Local Offices of Public Assistance*).

When a provider chooses to accept the client from the date retroactive eligibility was effective, and the client has made a full or partial payment for services, the provider must refund the client's payment for the service(s) before billing Medicaid for the service(s).

Billing for Clients with Other Insurance

If a Medicaid client is also covered by Medicare, has other insurance, or some other third party is responsible for the cost of the client's health care, see the *Coordination of Benefits* chapter in this manual.

When completing a paper claim for clients with Medicare and Medicaid, Medicare coinsurance and deductible amounts listed in FL 39 must correspond with the payer listed in FL 50. For example, if the client has Medicare and Medicaid, any Medicare deductible and coinsurance amounts should be listed in FL 39 preceded by an A1, A2, etc. Because these amounts are for Medicare, Medicare should be listed in FL 50A (see the *Completing a Claim* chapter in this manual).



Medicare Benefits Exhausted

Medicare crossovers are claims for hospital patients who are eligible for Medicare Part A benefits as well as Montana Medicaid. For these patients, Montana Medicaid pays the deductibles and coinsurance related to the inpatient hospital services (see the *Coordination of Benefits* chapter in this manual). Should a Medicare/Medicaid client exhaust the Medicare benefit (including Lifetime Reserve Days), the claim will be treated as a Medicaid-only claim from the date the Medicare benefits were exhausted. The claim should be submitted reflecting a covered stay from the day the Medicare benefits were exhausted to discharge. This situation is the only instance in which a hospital should submit a split bill for a case that will be paid using prospective payment principles.

When a service requires PASSPORT approval or prior authorization (or both), different codes are issued for each and must be included on the claim, or it will be denied.



Services Provided to PASSPORT To Health Clients

A Medicaid client covered by the Passport To Health program must have inpatient hospital services approved by the client's primary care provider (PCP). PCP approval is required even if the client was admitted to the hospital from the emergency room and the diagnosis is one of the diagnoses that doesn't require the PCP's authorization for emergency room treatment. A list of emergency diagnosis and procedure codes is available on the Provider Information website or from Provider Relations (see *Key Contacts*). The PASSPORT approval codes must be on the claim (FL 11 on a paper claim), or the service will be denied.

Services That Require Prior Authorization (PA)

Prior authorization (PA) is required for some hospital services. PASSPORT and prior authorization are different, and some services may require both (see the *PASSPORT and Prior Authorization* chapter in this manual). Different codes are issued for each type of approval and must be included on the claim form, or the claim will be denied (see the *Submitting a Claim* chapter in this manual). The PA code is located in FL 63 on the paper claim.

Discharges and Transfers

Claims can be filed only after the client has been discharged. A client is considered discharged when he or she is:

- Formally released from the hospital
- Transferred to another hospital or rehabilitation unit
- Dies in the hospital
- Leaves the hospital against medical advice (AMA)

The hospital that ultimately discharges the client bills Medicaid. When a client is transferred from one hospital to another for services the first hospital doesn't provide (e.g., CT scan) and then back to the first hospital, all diagnostic services are included in the DRG payment to the first hospital. Also included in the same payment are the services that were provided at the second hospital and transportation to the second hospital and back to the first hospital. Arrangement for payment to the transportation provider and the second hospital must be arranged between the first and second hospital and the transportation provider.

All transfers are subject to review for medical necessity. Initial hospitalizations, subsequent hospitalizations, and transfers may be reviewed for medical necessity. Reimbursement cannot be made to a provider unless the service provided was medically necessary.

The Patient status code (Form Locator 22 of the UB-92 paper claim form) should contain the appropriate discharge status code. The following discharge status codes are valid for Montana Medicaid.

Discharge Status Codes			
Status Code	Description	Status Code	Description
01	Discharged to home or self care (routine discharge)	41	Expired in a medical facility (e.g., hospital, SNF, ICF, or free standing hospice)*
02	Discharge/Transfer to another short term general hospital for inpatient care*	42	Expired - place unknown*
03	Discharge/Transfer to skilled nursing facility (SNF)*	43	Discharge/Transfer to federal hospital
04	Discharge/Transfer to an intermediate care facility (ICF)*	50	Hospice-home
05	Discharge/Transfer to another type of institution for inpatient care*	51	Discharge/Transfer to hospice-medical facility
06	Discharge/Transfer to home under care of organized home health service organization*	61	Discharge/Transfer within this institution to hospital-based Medicare approved swing bed*
07	Left against medical advice or discontinued care	62	Discharge/Transfer to another rehabilitation facility including rehabilitation distinct part units of a hospital
08	Discharge/Transfer to home under care of a Home IV provider	63	Discharge/Transfer to a long term care hospital
09	Admitted as an inpatient to this hospital*	64	Discharge/Transfer to nursing facility certified under Medicaid, but not Medicare
20	Expired (death)	71	Discharged/Transferred/Referred to another institution for outpatient services as specified by the discharge plan of care
30	Still a patient* (Neonate providers discharge status code for interim billing)	72	Discharged/Transferred/Referred to this institution for outpatient services as specified by the discharge plan of care
40	Expired (death) at home*		

* Please review *Usage Notes* in UB-92 Billing manual

Bundled Services

Services that are included in the DRG payment are considered bundled and include the following:

- Services provided on the day of admission or on the day preceding admission. This includes any outpatient services provided within 24 hours of admission (e.g., observation).
- All routine services (see *Coverage of Specific Services* in the *Covered Services* chapter of this manual)
- All diagnostic services (e.g., radiology). This includes diagnostic services that are performed at a second hospital because the services are not avail-



When a client is moved from an acute care bed to a rehabilitation unit bed, it is considered a discharge.

able at the first hospital (e.g., CT scan) as well as transportation between the two hospitals (see *Transfers* in this chapter).

- All ancillary services provided by the hospital or performed by another entity under contract with the hospital (e.g., hospital has a contractual agreement with an enrolled independent laboratory)

Same Day Readmission

If a client is readmitted on the same day of discharge for the same diagnosis, the entire stay should be billed as one admission.

If a client is readmitted on the same day of discharge for a separate diagnosis, Medicaid may be billed for the new diagnosis. The claim for the new diagnosis and a letter of explanation including documentation for the separate diagnosis must be sent directly to the Department for review (see *Key Contacts*). You will be required to provide documentation as to the separate diagnosis.

A client readmission occurring in an inpatient rehabilitation hospital within 72 hours of discharge must be combined into one admission for payment purposes, with the exception of discharge to an acute care hospital for surgical DRGs.

Initial hospitalizations and readmissions are subject to review for medical necessity. Reimbursement cannot be made to a provider unless the service provided was medically necessary.

Split/Interim Billing

Some inpatient hospital services necessitate the use of split or interim bills for Medicaid reimbursement. In general, providers cannot split bill DRG claims, except in a few cases:

- ***When the Medicaid client also has Medicare coverage, and the client's lifetime reserve days have been exhausted.*** The Medicare covered days and the Medicaid covered days should be submitted on separate claims.
- ***For clients classified as hospital residents.*** Claims for clients classified as *hospital residents* may be interim billed on a monthly basis after the first 180 days. These claims must be sent to the Department with a letter of explanation for manual pricing (see *Key Contacts*). The Department will approve the special billing and forward the claim to the claims processing contractor for processing with pricing instructions. Before billing for residents, the provider must obtain resident status for the client (see *Obtaining Resident Status* in the *Covered Services* chapter of this manual).
- ***Neonatal intensive care units.*** When charges reach \$100,000, an interim bill may be submitted for a minimum of \$100,000.

Do not split bill Medicaid for DRG claims; providers must report the entire hospital stay, not just the Medicaid eligible days.



Partial eligibility

- DRG hospitals do not split bill. Bill the entire claim from the date of admit, and the claim will be prorated during processing.
- Out-of-state hospitals and designated neonate units must bill from the first date of eligibility.

Incurment

All hospitals must bill from the date incurment/spend down was met. For more information on incurment, see the *Client Eligibility* chapter in the *General Information For Providers* manual.

When to Split Bill Medicaid					
Facility or Admission Type	Fiscal Year End	When Claim Charges meet \$100,000	Hospital Residents	Paper Claims Over 40 Lines	Medicaid/Medicare Crossover Claims
<ul style="list-style-type: none"> • MT inpatient DRG hospitals • Border hospitals (within 100 miles of MT border) • Inpatient rehab units 	No	No	Yes	No	Split bill only when Medicare lifetime reserve days have been exhausted.
Out-of-state hospitals	Yes	No	Yes	Yes	Yes
Designated neonatal units	Yes	Yes	N/A	No	Yes
Psychiatric admissions	No	No	Yes	No	No

Billing for Abortions and Sterilizations

In order to be covered by Medicaid, abortions and sterilizations require specific forms to be completed and submitted with the claim. For more information on abortion and sterilization requirements, see the *Covered Services* chapter in this manual. Forms are available in *Appendix A: Forms*.

Abortions

A completed *Medicaid Recipient/Physician Abortion Certification* (MA-37) form must be attached to every abortion claim or payment will be denied (see *Appendix A: Forms*). Complete only one part (I, II, or III) of this form; the part used must be clearly indicated on the form. This is the only form Medicaid accepts for abortions.

Sterilization

- For elective sterilizations, a completed *Informed Consent to Sterilization* (MA-38) form must be attached to the claim for each provider involved or payment will be denied. This form must be legible, complete, and accu-

rate, and revisions are not accepted. It is the provider's responsibility to obtain a copy of the form from the primary or attending physician.

- For medically necessary sterilizations (including hysterectomies), one of the following must be attached to the claim, or payment will be denied:
 - A completed *Medicaid Hysterectomy Acknowledgement* form (MA-39) for each provider submitting a claim. See *Appendix A Forms*. It is the provider's responsibility to obtain a copy of the form from the primary or attending physician. Complete only one section (A, B, or C) of this form. When no prior sterility (section B) or life-threatening emergency (section C) exists, the client and physician must sign and date Section A of this form prior to the procedure (see 42 CFR 441.250 for the federal policy on hysterectomies and sterilizations). Also, for section A, signatures dated after the surgery date require manual review of medical records by the Department. The Department must verify that the client (and representative, if any) was informed orally and in writing, prior to the surgery, that the procedure would render the client permanently incapable of reproducing. The client does not need to sign this form when sections B or C are used. Please refer to *Appendix A* for more detailed instructions on completing the form.
 - For clients who have become retroactively eligible for Medicaid, the physician must certify in writing that the surgery was performed for medical reasons and must document one of the following:
 - The individual was informed prior to the hysterectomy that the operation would render the client permanently incapable of reproducing.
 - The reason for the hysterectomy was a life-threatening emergency.
 - The client was already sterile at the time of the hysterectomy and the reason for prior sterility.

When submitting claims for retroactively eligible clients, attach a copy of the FA-455 (Eligibility determination letter) to the claim if the date of service is more than 12 months earlier than the date the claim is submitted. For more information on sterilizations, see the *Covered Services* chapter in this manual.

Submitting a Claim

See the Submitting a Claim chapter in this manual for instructions on completing claim forms, submitting paper and electronic claims, and inquiring about a claim.

The Most Common Billing Errors and How to Avoid Them

Paper claims are often returned to the provider before they can be processed, and many other claims (both paper and electronic) are denied. To avoid unnecessary returns and denials, double check each claim to confirm the following items are included and accurate. An explanation of benefits/reason and remark code cross-walk is available on the Provider Information website.

Common Billing Errors	
Reasons for Return or Denial	How to Prevent Returned or Denied Claims
Medicaid provider number missing or invalid	The provider number is a 7-digit number assigned to the provider during Medicaid enrollment. Verify the correct Medicaid provider number is on the claim.
Authorized signature missing	Each claim must have an authorized signature belonging to the provider, billing clerk, or office personnel. The signature may be typed, stamped, hand-written, or computer generated.
Signature date missing	Each claim must have a signature date.
Incorrect claim form used	The claim must be the correct form for the provider type. Services covered in this manual require a UB-92 claim form.
Information on claim form not legible	Information on the claim form must be legible. Use dark ink and center the information in the form locator. Information must not be obscured by lines.
Recipient number not on file, or recipient was not eligible on date of service	Before providing services to the client, verify client eligibility by using one of the methods described in the <i>Client Eligibility and Responsibilities</i> chapter of the <i>General Information For Providers</i> manual. Medicaid eligibility may change monthly.
Procedure requires PASSPORT provider approval – No PASSPORT approval number on claim	A PASSPORT provider approval number must be on the claim form when such approval is required. PASSPORT approval is different from prior authorization. See the <i>PASSPORT and Prior Authorization</i> chapter in this manual.
Prior authorization number is missing	<ul style="list-style-type: none"> Prior authorization (PA) is required for certain services, and the PA number must be on the claim form. Prior authorization is different from PASSPORT authorization. See the <i>PASSPORT and Prior Authorization</i> chapter in this manual).

Common Billing Errors (continued)

Reasons for Return or Denial	How to Prevent Returned or Denied Claims
Prior authorization does not match current information	<ul style="list-style-type: none"> Claims must be billed and services performed during the prior authorization span. The claim will be denied if it is not billed according to the spans on the authorization.
Duplicate claim	<ul style="list-style-type: none"> Please check all remittance advices (RAs) for previously submitted claims before resubmitting. When making changes to previously paid claims, submit an adjustment form rather than a new claim form (see <i>Remittance Advices and Adjustments</i> in this manual).
TPL on file and no credit amount on claim	<ul style="list-style-type: none"> If the client has any other insurance (or Medicare), bill the other carrier before Medicaid. See <i>Coordination of Benefits</i> in this manual. If the client's TPL coverage has changed, providers must notify the TPL unit (see <i>Key Contacts</i>) before submitting a claim.
Claim past 12 month filing limit	<ul style="list-style-type: none"> The Claims Processing Unit must receive all clean claims and adjustments within the timely filing limits described in this chapter. To ensure timely processing, claims and adjustments must be mailed to Claims Processing at the address shown in <i>Key Contacts</i>.
Missing Medicare EOMB	All denied Medicare crossover claims must have an Explanation of Medicare Benefits (EOMB) with denial reason codes attached, and be billed to Medicaid on paper.
Provider is not eligible during dates of services, enrollment has lapsed due to licensing requirements, or provider number terminated	<ul style="list-style-type: none"> Out-of-state providers must update licensure for Medicaid enrollment early to avoid denials. If enrollment has lapsed due to expired licensure, claims submitted with a date of service after the expiration date will be denied until the provider updates his or her enrollment. New providers cannot bill for services provided before Medicaid enrollment begins. If a provider is terminated from the Medicaid program, claims submitted with a date of service after the termination date will be denied.
Procedure is not allowed for provider type	<ul style="list-style-type: none"> Provider is not allowed to perform the service. Verify the procedure code is correct using the current ICD-9-CM manual.
Incorrect bill type	The correct bill type for your provider type must be entered into FL 4. Refer to the UB-92 Billing Manual for a list of bill types.

Common Billing Errors (continued)	
Reasons for Return or Denial	How to Prevent Returned or Denied Claims
Admission date missing	The client's admission date must be included in FL 17 or the claim will be denied (see the <i>Completing a Claim</i> chapter in this manual).
Informed Consent to Sterilization or Hysterectomy Acknowledgement form missing or incomplete	All claims for sterilizations and hysterectomies must be accompanied by a completed <i>Informed Consent to Sterilization</i> form (MA-38) or a <i>Medicaid Hysterectomy Acknowledgement</i> form (MA-39). See the <i>Billing Procedures</i> chapter and <i>Appendix A: Forms</i> for instructions on completing these forms.

Other Programs

This chapter does not apply to clients who are enrolled in the Mental Health Services Plan (MHSP). Providers will find more information on mental health services in the *Mental Health* manual available on the Provider Information website (see *Key Contacts*). These billing procedures do not apply to the Children's Health Insurance Plan (CHIP). The CHIP Medical Manual is available through Blue-Cross BlueShield at (800) 447-7828 X8647.

Submitting a Claim

Electronic Claims

Institutional claims submitted electronically are referred to as ANSI ASC X12N 837 transactions. Providers who submit claims electronically experience fewer errors and quicker payment. Claims may be submitted electronically by the following methods:

- **ACS field software WINASAP 2003.** ACS makes available this free software, which providers can use to create and submit claims to Montana Medicaid, MHSP, and CHIP (dental and eyeglasses only). It does not support submissions to Medicare or other payers. This software creates an 837 transaction, but does not accept an 835 (electronic RA) transaction back from the Department. The software can be downloaded directly from the ACS EDI Gateway website. For more information on WINASAP 2003, visit the ACS EDI Gateway website, or call the EDI Help Desk (see *Key Contacts*).
- **ACS clearinghouse.** Providers can send claims to the ACS clearinghouse (ACS EDI Gateway) in X12 837 format using a dial-up connection. Electronic submitters are required to certify their 837 transactions as HIPAA-compliant before sending their transactions through the ACS clearinghouse. EDIFICS certifies the 837 HIPAA transactions at no cost to the provider. EDIFICS certification is completed through ACS EDI Gateway. For more information on using the ACS clearinghouse, contact the EDI Help Desk (see *Key Contacts*).
- **Clearinghouse.** Providers can contract with a clearinghouse so that the provider can send the claim to the clearinghouse in any format the clearinghouse accepts. The provider's clearinghouse then sends the claim to the ACS clearinghouse in the X12 837 format. The provider's clearinghouse also needs to have their 837 transactions certified through EDIFICS before submitting claims to the ACS clearinghouse. EDIFICS certification is completed through ACS EDI Gateway.

Providers should be familiar with the *Implementation Guides* that describe federal rules and regulations and provide instructions on preparing electronic transactions. These guides are available from the Washington Publishing Company (see *Key Contacts*). *Companion Guides* are used in conjunction with *Implementation Guides* and provide Montana-specific information for sending and receiving electronic transactions. They are available on the ACS EDI Gateway website (see *Key Contacts*).

Billing electronically with paper attachments

When submitting claims that require additional supporting documentation, the *Attachment Control Number* field must be populated with an identifier. Identifier formats can be designed by software vendors or clearinghouses, but the preferred method is the provider's Medicaid ID number followed by the client's ID number and the date of service, each separated by a dash:

9999999 - 888888888 - 11182003
 Medicaid Client ID Date of
 Provider ID Number Service
 (mmddyyyy)

The supporting documentation must be submitted with a paperwork attachment cover sheet (located on the Provider Information website and in *Appendix A: Forms*). The number in the paper *Attachment Control Number* field must match the number on the cover sheet. For more information on attachment control numbers and submitting electronic claims, see the *Companion Guides* located on the ACS EDI website (see *Key Contacts*).

Paper Claims

The services described in this manual are billed electronically or on UB-92 claim forms. Please use this chapter with the *Montana UB-92 Reference Manual*. For more information on submitting HIPAA compliant 837 transactions, refer to the *Companion Guides* on the ACS EDI Gateway website (see *Key Contacts*). Claims submitted with all of the necessary information are referred to as “clean” and are usually paid in a timely manner (see the *Billing Procedures* chapter in this manual).

Claim preparation is different for various types of coverage a client has. This chapter includes instructions and a sample claim for each of the following scenarios:

- Client has Medicaid coverage only
- Client has Medicaid and Medicare coverage
- Client has Medicaid and third party liability coverage
- Client has Medicaid, Medicare, and third party liability coverage
- Client has Medicaid, Medicare, and Medicare supplement coverage

When completing a claim, remember the following:

- Please use this information together with the UB-92 Reference Manual.
- Most form locators shown in this chapter are required or situational. Situational form locators are required if the information is applicable to the situation or client and are indicated by “*”.
- Form locator 11 is used for PASSPORT and FL 78 is used for cost sharing indicators (see following table and instructions in this chapter).

PASSPORT and Cost Sharing Indicators	
PASSPORT To Health Indicators	
Code	Description
FPS	This indicator is used when providing family planning services.
OBS	This indicator is used when providing obstetrical services.
TCM	This indicator is used when providing targeted case management services.
Cost Sharing Indicators	
E	This indicator is used when providing emergency services (system determines using diagnosis and procedure code).
F	This indicator is used when providing family planning services.
P	This indicator is used when providing services to pregnant women.
N	This indicator is used when providing services to nursing facility residents (system determines).

- Unless otherwise stated, all paper claims must be mailed to the following address:

Claims Processing Unit
P.O. Box 8000
Helena, MT 59604

Claim Inquiries

Contact Provider Relations for questions regarding payments, denials, general claim questions, client eligibility, or to request billing instructions, manuals, or fee schedules (see *Key Contacts*).

If you prefer to communicate with Provider Relations in writing, use the *Montana Medicaid Claim Inquiry* form in *Appendix A*. Complete and submit the form to Provider Relations (see *Key Contacts*).

Provider Relations will respond to the inquiry within 7 to 10 days. The response will include the status of the claim: paid (date paid), denied (date denied), or in process. Denied claims will include an explanation of the denial and steps to follow for payment (if the claim is payable).

Client Has Medicaid Coverage Only

FL	Form Locator Title	Instructions
1-2	Unlabeled fields	Provider name, complete mailing address, and phone number
3	Patient control number	The client's unique alphanumeric number assigned by the provider
4	Type of bill	Enter the code indicating the type of bill (see the UB-92 Reference Manual for specific codes)
6	Statement covers period	The beginning and ending service dates of the period included on this bill
11*	PASSPORT To Health	Enter PASSPORT authorization number or indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter)
12	Patient name	Enter the Medicaid client's last name, first name and middle initial
13	Patient address	The client's mailing address including street name/P.O. box, city, state, and zip code
14	Patient birth date	The client's month, day, and year of birth
15	Patient sex	Use M (male), F (female), or U (unknown)
17-20	Admission	The admission date, hour, type, and source (see the UB-92 Reference Manual for specific codes)
22	Patient status	A code indicating client discharge status as of the ending service date of the period covered on this bill (see the table of <i>Discharge Status Codes</i> in the <i>Billing Procedures</i> chapter of this manual)
42	Revenue code	A code which identifies a specific accommodation, ancillary service or billing calculation (see the UB-92 Reference Manual for specific codes)
43	Description	Revenue code description (may abbreviate).
46	Service units	A quantitative measure of services rendered by revenue category to or for the client to include items such as number of accommodation days, miles, pints of blood, etc. Must be appropriate for the procedure code, if listed.
47	Total charges	Total charges (covered and non-covered) for this line.
50	Payer	Enter "Medicaid" when the client has Medicaid only coverage
51	Provider number	Enter the provider's Medicaid ID number
54*	Prior payments	The amount the provider has received toward payment of this bill
58	Insured's name	Name of the individual in whose name the insurance is carried
60	Cert - SSN - HIC - ID #	Client's Medicaid ID number
63*	Treatment auth. code	Enter the prior authorization code for the service. This form locator is required for all out-of-state billers and some in-state services.
67-75	Principal diagnosis code	Use the ICD-9-CM code for the principal diagnosis. Enter additional diagnoses codes in form locators 68-75.
76	Admitting diagnosis code	The ICD-9-CM code for the client's diagnosis or reason for admit
78	Unlabeled field	Enter applicable cost sharing indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter).
80*	Principal procedure	Enter the code identifying the principal surgical or obstetrical procedure and date.
81*	Other procedure	Enter codes identifying all significant procedures other than the principal procedure and dates.
82	Attending physician ID	Enter the referring physician's Medicaid ID number and name.
85-86	Provider representative signature and date	An authorized signature and date indicating that the information entered on the face of this bill is in conformance with the certifications of the back of this bill

* Required if applicable

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I CERTIFY THE CERTIFICATIONS ON THE REVERSE APPLY TO THIS BILL AND ARE MADE A PART HEREOF

Client Has Medicaid and Medicare Coverage

FL	Form Locator Title	Instructions
1-2	Unlabeled fields	Provider name, complete mailing address, and phone number
3	Patient control number	The client's unique alphanumeric number assigned by the provider
4	Type of bill	Enter the code indicating the type of bill (see the UB-92 Reference Manual for specific codes).
6	Statement covers period	The beginning and ending service dates of the period included on this bill
12	Patient name	Enter the Medicaid client's last name, first name and middle initial
13	Patient address	The client's mailing address including street name/P.O. box, city, state, and zip code
14	Patient birth date	The client's month, day, and year of birth
15	Patient sex	Enter M (male), F (female), or U (unknown)
17-20	Admission	The admission date, hour, type, and source (see to the UB-92 Reference Manual for specific codes)
22	Patient status	A code indicating client discharge status as of the ending service date of the period covered on this bill (see the table of <i>Discharge Status Codes</i> in the <i>Billing Procedures</i> chapter of this manual)
39-41*	Value codes and amounts	Enter value codes A1, A2, A3, B1, B2, B3, etc., and the corresponding Medicare deductible and coinsurance amounts. These entries must coincide with the entries in form locator 50 (A and B). See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section in this manual.
42	Revenue code	A code which identifies a specific accommodation, ancillary service or billing calculation (see the UB-92 Reference Manual for specific codes)
43	Description	Revenue code description (may abbreviate).
46	Service units	A quantitative measure of services rendered by revenue category to or for the client to include items such as number of accommodation days, miles, pints of blood, etc.
47	Total charges	Total charges (covered and non-covered) for this line.
50	Payer	The entries in this form locator correspond with the entries in form locators 39-41. Medicare should be listed first followed by Medicaid. See the <i>Billing Procedures</i> chapter, <i>Billing for Clients with Other Insurance</i> section in this manual.
51	Provider number	Enter the provider's Medicare and Medicaid ID numbers
54	Prior payments	The amount the provider has received toward payment of this bill
58	Insured's name	Name of the individual in whose name the insurance is carried
60	Cent - SSN - HIC - ID #	Client's Medicaid ID number
63*	Treatment auth. code	Enter the prior authorization code for the service. This form locator is required for all out-of-state billers and some in-state services.
67-75	Principal diagnosis code	Use the ICD-9-CM code for the principal diagnosis. Enter additional diagnoses codes in form locators 68-75
76	Admitting diagnosis code	The ICD-9-CM code for the client's diagnosis or reason for visit
78	Unlabeled field	Enter applicable cost sharing indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter)
80*	Principal procedure	Enter the code identifying the principal surgical or obstetrical procedure and date.
81*	Other procedure	Enter codes identifying all significant procedures other than the principal procedure and dates.
82	Attending physician ID	Enter the referring physician's Medicaid ID number and name.
85-86	Provider representative signature and date	An authorized signature and date indicating that the information entered on the face of this bill is in conformance with the certifications of the back of this bill

* Required if applicable

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LIB-92 HCEA-1450

Client Has Medicaid and Third Party Liability Coverage

FL	Form Locator Title	Instructions
1-2	Unlabeled fields	Provider name, complete mailing address, and phone number
3	Patient control number	The client's unique alphanumeric number assigned by the provider
4	Type of bill	Enter the code indicating the type of bill (see the UB-92 Reference Manual for specific codes).
6	Statement covers period	The beginning and ending service dates of the period included on this bill
11*	PASSPORT To Health	Enter PASSPORT authorization number or indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter)
12	Patient name	Enter the Medicaid client's last name, first name and middle initial
13	Patient address	The client's mailing address including street name/P.O. box, city, state, and zip code
14	Patient birth date	The client's month, day, and year of birth
15	Patient sex	Enter M (male), F (female), or U (unknown)
17-20	Admission	The admission date, hour, type, and source (see to the UB-92 Reference Manual for specific codes)
22	Patient status	A code indicating client status as of the ending service date of the period covered on this bill (see the UB-92 Reference Manual for specific codes)
42	Revenue code	A code which identifies a specific accommodation, ancillary service or billing calculation (see the UB-92 Reference Manual for specific codes)
43	Description	Revenue code description (may abbreviate).
44	HCPCS Rates	Enter the HCPCS code for each service
45	Service date	The date the indicated service was provided
46	Service units	A quantitative measure of services rendered by revenue category to or for the client to include items such as number of accommodation days, miles, pints of blood, etc.
47	Total charges	Total charges (covered and non-covered) for this line.
48	Non-covered charges	Charges not covered by the primary payer
50	Payer	The entries in this form locator correspond with the entries in form locators 39-41. See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section in this manual.
51	Provider number	Enter the provider's TPL and Medicaid ID numbers
54	Prior payments	The amount the provider has received toward payment of this bill
58	Insured's name	Name of the individual in whose name the insurance is carried
60	Cert - SSN - HIC - ID #	Client's Medicaid ID number
63*	Treatment auth. code	Enter the prior authorization code for the service. This form locator is required for all out-of-state billers and some in-state services.
67-75	Principal diagnosis code	Use the ICD-9-CM code for the principal diagnosis. Enter additional diagnoses codes in form locators 68-75
76	Admitting diagnosis code	The ICD-9-CM code for the client's diagnosis or reason for visit
78	Unlabeled field	Enter applicable cost sharing indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter)
80*	Principal procedure	Enter the code identifying the principal surgical or obstetrical procedure and date.
81*	Other procedure	Enter codes identifying all significant procedures other than the principal procedure and dates.
82	Attending physician ID	Enter the referring physician's Medicaid ID number and name.
85-86	Provider representative signature and date	An authorized signature and date indicating that the information entered on the face of this bill is in conformance with the certifications of the back of this bill

* Required if applicable

Client Has Medicaid and Third Party Liability Coverage

APPROVED OMB NO. 0938-0279


Local Hospital 12 Medical Drive Anytown, MT 59999		2		3 PATIENT CONTROL NO. 4806				4 TYPE OF BILL 111																																						
		5 FED. TAX NO.		6 STATEMENT COVERS PERIOD FROM 022205 THROUGH 022705		7 COV D.	8 N-C D.	9 C-I D.	10 L-R D.	11																																				
12 PATIENT NAME Flowers, Lilly T.				13 PATIENT ADDRESS 33 Flower Lane Anytown, MT 59999																																										
14 BIRTHDATE 04111957		15 SEX F	16 MS	17 DATE 02/22/05		18 HR	19 TYPE 13	20 SRC 01	21 D HR 07	22 STAT 03	23 MEDICAL RECORD NO.				24				25				26				27				28				29				30				31			
32 OCCURRENCE DATE		33 CODE		34 OCCURRENCE DATE		35 CODE		36 OCCURRENCE DATE		37 CODE		38 OCCURRENCE DATE		39 CODE		40 VALUE CODES AMOUNT		41 CODE		42 VALUE CODES AMOUNT		43 CODE		44 VALUE CODES AMOUNT		45 CODE		46 VALUE CODES AMOUNT		47 CODE		48 VALUE CODES AMOUNT		49 CODE		50 VALUE CODES AMOUNT										
Flowers, Lilly T.		33 Flower Lane		Anytown, MT 59999																																										
42 REV. CD.		43 DESCRIPTION				44 HCPCS / RATES				45 SERV. DATE				46 SERV. UNITS				47 TOTAL CHARGES				48 NON-COVERED CHARGES				49																				
1	120	Room & Board												6				2550.00				.																								
2	250	General Class Pharmacy												300				829.43				.																								
3	258	IV Solutions												4				229.31				.																								
4	259	Other Pharmacy												7				163.03				.																								
5	301	Chemistry												8				360.00				.																								
6	302	Immunology												3				79.35				.																								
7	305	Hematology												5				185.00				.																								
8	307	Urology												2				55.00				.																								
9	320	General Class Radiology - Diag.												2				262.00				.																								
10	324	Chest X-Ray												1				145.90				.																								
11	420	General Class PT												26				1312.22				.																								
12	430	General Class OT												7				387.03				.																								
13	450	General Class Emergency Room												5				715.00				.																								
14	730	Electrocardiogram - General Class												1				77.90				.																								
15																																														
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19																																														
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21																																														
22																																														
23																																														
50 PAYER		51 PROVIDER NO.				52 REL INFO				53 ASG BEN				54 PRIOR PAYMENTS				55 EST. AMOUNT DUE				56																								
A Double Indemnity Insurance		340367												2027.79				.																												
B Medicaid		0413213																.																												
C																		.																												
57		DUE FROM PATIENT ▶																																												
58 INSURED'S NAME		59 P. REL.				60 CERT. - SSN - HIC. - ID NO.				61 GROUP NAME				62 INSURANCE GROUP NO.																																
A Flowers, Bud						432701763																																								
B Flowers, Lilly						134638752																																								
C																																														
63 TREATMENT AUTHORIZATION CODES		64 ESC		65 EMPLOYER NAME				66 EMPLOYER LOCATION																																						
A																																														
B																																														
C																																														
67 PRIN. DIAG. CD.		68 CODE		69 CODE		70 CODE		71 CODE		72 CODE		73 CODE		74 CODE		75 CODE		76 ADM. DIAG. CD.		77 E-CODE		78																								
812.01		070.54		571.20		250.60		357.20		780.39		796.0		781.0				812.01																												
79 P.C.		80		81		82		83		84		85		86		87		88		89		90																								
PRINCIPAL PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE		OTHER PROCEDURE DATE																								
93.59		022205		A		B		C		D		E		F		G		H		I		J																								
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C				D		E		F		G		H		I		J		K		L		M																								
84 REMARKS																																														
a																																														
b																																														
c																																														
d																																														
85 PROVIDER REPRESENTATIVE		86 DATE																																												
XLinda Letters		03/04/05																																												

Client Has Medicaid, Medicare, and Third Party Liability Coverage

1-2	Unlabeled fields	Provider name, complete mailing address, and phone number
3	Patient control number	The client's unique alphanumeric number assigned by the provider
4	Type of bill	Enter the code indicating the type of bill (see the UB-92 Reference Manual for specific codes).
6	Statement covers period	The beginning and ending service dates of the period included on this bill
12	Patient name	Enter the Medicaid client's last name, first name and middle initial
13	Patient address	The client's mailing address including street name/P.O. box, city, state, and zip code
14	Patient birth date	The client's month, day, and year of birth
15	Patient sex	Enter M (male), F (female), or U (unknown)
17-20	Admission	The admission date, hour, type, and source (see to the UB-92 Reference Manual for specific codes)
22	Patient status	A code indicating client status as of the ending service date of the period covered on this bill (see the UB-92 Reference Manual for specific codes)
39-41*	Value codes and amounts	Enter value codes A1, A2, A3, B1, B2, B3, etc., and the corresponding Medicare deductible and coinsurance amounts. These entries must coincide with the entries in form locator 50 (A and B). See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section in this manual.
42	Revenue code	A code which identifies a specific accommodation, ancillary service or billing calculation (see the UB-92 Reference Manual for specific codes)
43	Description	Revenue code description (may abbreviate).
44	HCPCS Rates	Enter the HCPCS code for each service
45	Service date	The date the indicated service was provided
46	Service units	A quantitative measure of services rendered by revenue category to or for the client to include items such as number of accommodation days, miles, pints of blood, etc.
47	Total charges	Total charges (covered and non-covered) for this line.
48	Non-covered charges	Charges not covered by the primary payer
50	Payer	The entries in this form locator correspond with the entries in form locators 39-41. Medicare is listed first followed by TPL and Medicaid. See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section.
51	Provider number	Enter the provider's Medicare, TPL, and Medicaid ID numbers
54	Prior payments	The amount the provider has received toward payment of this bill
58	Insured's name	Name of the individual in whose name the insurance is carried
60	Cert - SSN - HIC - ID #	Client's Medicaid ID number
63*	Treatment auth. code	Enter the prior authorization code for the service. This form locator is required for all out-of-state billers and some in-state services.
67-75	Principal diagnosis code	Use the ICD-9-CM code for the principal diagnosis. Enter additional diagnoses codes in form locators 68-75
76	Admitting diagnosis code	The ICD-9-CM code for the client's diagnosis or reason for visit
78	Unlabeled field	Enter applicable cost sharing indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter)
80*	Principal procedure	Enter the code identifying the principal surgical or obstetrical procedure and date.
81*	Other procedure	Enter codes identifying all significant procedures other than the principal procedure and dates.
82	Attending physician ID	Enter the referring physician's Medicaid ID number and name.
85-86	Provider representative signature and date	An authorized signature and date indicating that the information entered on the face of this bill is in conformance with the certifications of the back of this bill

* Required if applicable

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 The payers in FL 50 must correspond with the payment(s) in FL 39.

Client Has Medicaid, Medicare, and Medicare Supplement Coverage

FL	Form Locator Title	Instructions
1-2	Unlabeled fields	Provider name, complete mailing address, and phone number
3	Patient control number	The client's unique alphanumeric number assigned by the provider
4	Type of bill	Enter the code indicating the type of bill (see the UB-92 Reference Manual for specific codes).
6	Statement covers period	The beginning and ending service dates of the period included on this bill
12	Patient name	Enter the Medicaid client's last name, first name and middle initial
13	Patient address	The client's mailing address including street name/P.O. box, city, state, and zip code
14	Patient birth date	The client's month, day, and year of birth
15	Patient sex	Enter M (male), F (female), or U (unknown)
17-20	Admission	The admission date, hour, type, and source (see to the UB-92 Reference Manual for specific codes)
22	Patient status	A code indicating client status as of the ending service date of the period covered on this bill (see the UB-92 Reference Manual for specific codes)
39-41*	Value codes and amounts	Enter value codes A1, A2, A3, B1, B2, B3, etc., and the corresponding Medicare deductible and coinsurance amounts. These entries must coincide with the entries in form locator 50 (A and B). See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section in this manual.
42	Revenue code	A code which identifies a specific accommodation, ancillary service or billing calculation (see the UB-92 Reference Manual for specific codes)
43	Description	Revenue code description (may abbreviate).
44	HCPCS Rates	Enter the HCPCS code for each service
45	Service date	The date the indicated service was provided
46	Service units	A quantitative measure of services rendered by revenue category to or for the client to include items such as number of accommodation days, miles, pints of blood, etc.
47	Total charges	Total charges (covered and non-covered) for this line.
48	Non-covered charges	Charges not covered by the primary payer
50	Payer	The entries in this form locator correspond with the entries in form locators 39-41. Medicare is first, Medicare supplement second, and Medicaid last. See the <i>Billing Procedures</i> chapter, <i>Billing with multiple payers</i> section.
51	Provider number	Enter the provider's Medicare, Medicare supplement, and Medicaid ID numbers
54	Prior payments	The amount the provider has received toward payment of this bill
58	Insured's name	Name of the individual in whose name the insurance is carried
60	Cert - SSN - HIC - ID #	Client's Medicaid ID number
63*	Treatment auth. code	Enter the prior authorization code for the service. This form locator is required for all out-of-state billers and some in-state services.
67-75	Principal diagnosis code	Use the ICD-9-CM code for the principal diagnosis. Enter additional diagnoses codes in form locators 68-75
76	Admitting diagnosis code	The ICD-9-CM code for the client's diagnosis or reason for visit
78	Non-labeled field	Enter applicable cost sharing indicator (see <i>PASSPORT and Cost Sharing Indicators</i> in this chapter).
80*	Principal procedure	Enter the code identifying the principal surgical or obstetrical procedure and date.
81*	Other procedure	Enter codes identifying all significant procedures other than the principal procedure and dates.
82	Attending physician ID	Enter the referring physician's Medicaid ID number and name.
85-86	Provider representative signature and date	An authorized signature and date indicating that the information entered on the face of this bill is in conformance with the certifications of the back of this bill

* Required if applicable

Client Has Medicaid, Medicare, and Medicare Supplement Coverage

APPROVED OMB NO. 0938-0279

ST-1843 1-PLY UB-92		Open Range Community Hospital 122 Roping Lane Open Range, MT 59409		2		3 PATIENT CONTROL NO.		4 TYPE OF BILL 111																															
5 FED. TAX NO.		6 STATEMENT COVERS PERIOD FROM 03/16/05		6 STATEMENT COVERS PERIOD THROUGH 03/26/05		7 COV D.		8 N-C D.		9 C-I D.		10 L-R D.		11																									
12 PATIENT NAME Rhoads, Rocky										13 PATIENT ADDRESS 854 Standing Rock Rd. Open Range, MT 59409																													
14 BIRTHDATE 08211930		15 SEX M		16 MS		17 DATE OF ADMISSION 03162005		18 HR		19 TYPE		20 SRC		21 D HR		22 STAT		23 MEDICAL RECORD NO.		24		25		26		27		28		29		30		31					
32 OCCURRENCE DATE		33 OCCURRENCE DATE		34 OCCURRENCE DATE		35 OCCURRENCE DATE		36 OCCURRENCE DATE		37 OCCURRENCE SPAN FROM		37 OCCURRENCE SPAN THROUGH		38		39		40		41		42		43		44		45		46		47		48		49			
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UB-92 Agreement

Your signature on the UB-92 constitutes your agreement to the terms presented on the back of the form. This form is subject to change by the Centers for Medicare and Medicaid Services (CMS).

UNIFORM BILL:

NOTICE: ANYONE WHO MISREPRESENTS OR FALSIFIES ESSENTIAL INFORMATION REQUESTED BY THIS FORM MAY UPON CONVICTION BE SUBJECT TO FINE AND IMPRISONMENT UNDER FEDERAL AND/OR STATE LAW.

Certifications relevant to the Bill and Information Shown on the Face Hereof: Signatures on the face hereof incorporate the following certifications or verifications where pertinent to this Bill:

1. If third party benefits are indicated as being assigned or in participation status, on the face thereof, appropriate assignments by the insured/beneficiary and signature of patient or parent or legal guardian covering authorization to release information are on file. Determinations as to the release of medical and financial information should be guided by the particular terms of the release forms that were executed by the patient or the patient's legal representative. The hospital agrees to save harmless, indemnify and defend any insurer who makes payment in reliance upon this certification, from and against any claim to the insurance proceeds when in fact no valid assignment of benefits to the hospital was made.
2. If patient occupied a private room or required private nursing for medical necessity, any required certifications are on file.
3. Physician's certifications and re-certifications, if required by contract or Federal regulations, are on file.
4. For Christian Science Sanatoriums, verifications and if necessary re-verifications of the patient's need for sanatorium services are on file.
5. Signature of patient or his/her representative on certifications, authorization to release information, and payment request, as required by Federal law and regulations (42 USC 1935f, 42 CFR 424.36, 10 USC 1071 thru 1086, 32 CFR 199) and, any other applicable contract regulations, is on file.
6. This claim, to the best of my knowledge, is correct and complete and is in conformance with the Civil Rights Act of 1964 as amended. Records adequately disclosing services will be maintained and necessary information will be furnished to such governmental agencies as required by applicable law.
7. For Medicare purposes:

If the patient has indicated that other health insurance or a state medical assistance agency will pay part of his/her medical expenses and he/she wants information about his/her claim released to them upon their request, necessary authorization is on file. The patient's signature on the provider's request to bill Medicare authorizes any holder of medical and non-medical information, including employment status, and whether the person has employer group health insurance, liability, no-fault, workers' compensation, or other insurance which is responsible to pay for the services for which this Medicare claim is made.

8. For Medicaid purposes:

This is to certify that the foregoing information is true, accurate, and complete.

I understand that payment and satisfaction of this claim will be from Federal and State funds, and that any false claims, statements, or documents, or concealment of a material fact, may be prosecuted under applicable Federal or State Laws.

9. For CHAMPUS purposes:

This is to certify that:

- (a) the information submitted as part of this claim is true, accurate and complete, and, the services shown on this form were medically indicated and necessary for the health of the patient;
- (b) the patient has represented that by a reported residential address outside a military treatment center catchment area he or she does not live within a catchment area of a U.S. military or U.S. Public Health Service medical facility, or if the patient resides within a catchment area of such a facility, a copy of a Non-Availability Statement (DD Form 1251) is on file, or the physician has certified to a medical emergency in any assistance where a copy of a Non-Availability Statement is not on file;
- (c) the patient or the patient's parent or guardian has responded directly to the provider's request to identify all health insurance coverages, and that all such coverages are identified on the face the claim except those that are exclusively supplemental payments to CHAMPUS-determined benefits;
- (d) the amount billed to CHAMPUS has been billed after all such coverages have been billed and paid, excluding Medicaid, and the amount billed to CHAMPUS is that remaining claimed against CHAMPUS benefits;
- (e) the beneficiary's cost share has not been waived by consent or failure to exercise generally accepted billing and collection efforts; and,
- (f) any hospital-based physician under contract, the cost of whose services are allocated in the charges included in this bill, is not an employee or member of the Uniformed Services. For purposes of this certification, an employee of the Uniformed Services is an employee, appointed in civil service (refer to 5 USC 2105), including part-time or intermittent but excluding contract surgeons or other personnel employed by the Uniformed Services through personal service contracts. Similarly, member of the Uniformed Services does not apply to reserve members of the Uniformed Services not on active duty.
- (g) based on the Consolidated Omnibus Budget Reconciliation Act of 1986, all providers participating in Medicare must also participate in CHAMPUS for inpatient hospital services provided pursuant to admissions to hospitals occurring on or after January 1, 1987.
- (h) if CHAMPUS benefits are to be paid in a participating status, I agree to submit this claim to the appropriate CHAMPUS claims processor as a participating provider. I agree to accept the CHAMPUS-determined reasonable charge as the total charge for the medical services or supplies listed on the claim form. I will accept the CHAMPUS-determined reasonable charge even if it is less than the billed amount, and also agree to accept the amount paid by CHAMPUS, combined with the cost-share amount and deductible amount, if any, paid by or on behalf of the patient as full payment for the listed medical services or supplies. I will make no attempt to collect from the patient (or his or her parent or guardian) amounts over the CHAMPUS-determined reasonable charge. CHAMPUS will make any benefits payable directly to me, if I submit this claim as a participating provider.

ESTIMATED CONTRACT BENEFITS

Avoiding Claim Errors

Claims are often denied or even returned to the provider before they can be processed. To avoid denials and returns, double check each claim form to confirm the following items are accurate. For more information on returned and denied claims, see the *Billing Procedures* chapter in this manual.

Common Claim Errors	
Claim Error	Prevention
Required form locator is blank	Check the claim instructions earlier in this chapter for required form locators. If a required form locator is blank, the claim may either be returned or denied.
Client ID number missing or invalid	This is a required form locator (FL 60); verify that the client's Medicaid ID number is listed as it appears on the client's eligibility verification (see the <i>General Information For Providers, Client Eligibility</i> chapter).
Client name missing	This is a required form locator (FL 12); check that it is correct.
Medicaid provider number missing or invalid	The provider number is a 7-digit number assigned to the provider during Medicaid enrollment. Verify the correct Medicaid provider number is on the claim (FL 51).
PASSPORT ID number missing	When services are not provided by the client's PASSPORT provider, include the provider's PASSPORT number (FL 11). See the <i>PASSPORT and Prior Authorization</i> chapter in this manual).
Prior authorization number missing	When prior authorization (PA) is required for a service, the PA number must be listed on the claim in FL 63 (see <i>PASSPORT and Prior Authorization</i> in this manual).
Not enough information regarding other coverage	Form locators 39-41, 50, and in some cases 54, are required when a client has other coverage (refer to the examples earlier in this chapter).
Authorized signature missing	Each claim must have an authorized signature belonging to the provider, billing clerk, or office personnel. The signature may be typed, stamped, or hand-written.
Signature date missing	Each claim must have a signature date.
Incorrect claim form used	Services covered in this manual require a UB-92 claim form.
Information on claim form not legible	Information on the claim form must be legible. Use dark ink and center the information in the form locator. Information must not be obscured by lines.

Other Programs

This chapter also applies to claim forms completed for MHSP services. The information in this chapter does not apply to clients enrolled in the Children's Health Insurance Plan (CHIP). The CHIP Medical Manual is available through Blue-Cross BlueShield at (800) 447-7828 X8647.

Remittance Advices and Adjustments

Remittance Advice Description

The remittance advice (RA) is the best tool providers have to determine the status of a claim. RAs accompany payment for services rendered. The RA provides details of all transactions that have occurred during the previous remittance advice cycle. Providers may select a one or two week payment cycle (see *Payment and the RA* later in this chapter). Each line of the remittance advice represents all or part of a claim, and explains whether the claim has been paid, denied, or suspended (also called pending). If the claim was suspended or denied, the RA also shows the reason. See the sample RA on the following page.

RA notice

The RA notice is on the first page of the remittance advice. This section contains important messages about rate changes, revised billing procedures, and many other items that affect providers and claims.

Paid claims

This section shows claims paid during the previous cycle. It is the provider's responsibility to verify that claims were paid correctly. If Medicaid overpays a claim and the problem is not corrected, it may result in an audit and the provider having to return the overpayment plus interest. If a claim was paid at the wrong amount or with incorrect information, the claim must be adjusted (see *Adjustments* later in this chapter).

Denied claims

This section shows claims denied during the previous cycle. If a claim has been denied, refer to the Reason/Remark Codes column (Field 16). The reason and remark code description explains why the claim was denied and is located at the end of the RA. See *The Most Common Billing Errors and How to Avoid Them* in the *Billing Procedures* chapter. Please make necessary changes to the claim before rebilling Medicaid.

Pending claims

All claims that have not reached final disposition will appear in this area of the RA. The RA uses "suspended" and "pending" interchangeably. They both mean that the claim has not reached final disposition. If a claim is pending, refer to the Reason/Remark Code column (Field 16). The reason and remark code description located at the end of the RA will explain why the claim is suspended. This section is informational only. Please do not take any action on claims displayed here. Processing will continue until each claim is paid or denied.



If a claim was denied, read the description of the reason and remark code before taking any action on the claim.



The pending claims section of the RA is informational only. Do not take any action on the claims shown here.

Sample Remittance Advice

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES HELENA, MT 59604 REMITTANCE ADVICE FOR MEDICAID/CHIP/MHSP

(1)

COMMUNITY HOSPITAL
2100 NORTH MAIN STREET
CENTRAL CITY MT 59988

(2) PROVIDER# 0001234567 (3) REMIT ADVICE #123456 (4) WARRANT # 654321 (5) DATE:02/15/05 (6) PAGE 2

RECIP ID	NAME	SERVICE DATES FROM TO	UNIT OF SVC	PROCEDURE REVENUE NDC	TOTAL CHARGES	ALLOWED	CO- PAY	REASON/ REMARK CODES
(7)	(8)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
PAID CLAIMS - MISCELLANEOUS CLAIMS								
123456789	DOE, JOHN EDWARD	010305 010505	3	120	1281.00	0.00	N	
(9) ICN	00504611350000700	010305 010505	13	250	450.39	0.00		
		010305 010505	11	258	178.83	0.00		
		010305 010505	16	259	515.60	0.00		
		010305 010505	55	270	720.92	0.00		
		010305 010505	4	300	42.00	0.00		
		010305 010505	3	301	188.50	0.00		
		010305 010505	10	305	476.00	0.00		
		010305 010505	3	306	142.00	0.00		
		010305 010505	2	320	217.00	0.00		
LESS MEDICARE PAID**						2957.13		
CLAIM TOTAL**					4212.24	876.00	(17)	

DENIED CLAIMS - MISCELLANEOUS CLAIMS

123456789	DOE, JOHN EDWARD	013005 013105	1	270	16.00	0.00	Y	
ICN	00504611350000800	012005 013105	1	916	187.00			
		013005 013105	1	450	152.00			
		013003 013105	5	300	352.00			
CLAIM TOTAL**					3330.00	0.00	(17)	31 MA61

PENDING CLAIMS - MISCELLANEOUS CLAIMS

ICN	00504611350000900	013005 013105	1	270	16.00	0.00		
		013005 013105	1	916	187.00			
		013005 013105	1	450	152.00			31
		013005 013105	5	300	352.00			
CLAIM TOTAL**					3330.00	0.00	(17)	

*****THE FOLLOWING IS A DESCRIPTION OF THE REASON/REMARK CODES THAT APPEAR ABOVE*****

31 CLAIM DENIED AS PATIENT CANNOT BE IDENTIFIED AS OUR INSURED.
MA61 DID NOT COMPLETE OR ENTER CORRECTLY THE PATIENT'S SOCIAL SECURITY NUMBER OR HEALTH INSURANCE CLAIM NUMBER.

Key Fields on the Remittance Advice	
Field	Description
1. Provider name and address	Provider's business name and address as recorded with the Department
2. Provider number	The 7-digit number assigned to the provider by Medicaid
3. Remittance advice number	The remittance advice number
4. Warrant number	Not used
5. Date	The date the RA was issued
6. Page Number	The page number of the RA
7. Recipient ID	The client's Medicaid ID number
8. Name	The client's name
9. Internal control number (ICN)	<p>Each claim is assigned a unique 17-digit number (ICN). Use this number when you have any questions concerning your claim. The claim number represents the following information:</p> <p><u>0</u> <u>00111</u> <u>11</u> <u>123</u> <u>000123</u></p> <p>A B C D E</p> <p>A = Claim medium 0 = Paper claim 2 = Electronic claim 3 = Encounter claim 4 = System generated claim (mass adjustment, nursing facility turn-around document) 6 = Point-of-sale (POS) pharmacy claim)</p> <p>B = Julian date (e.g. April 20, 2000 was the 111th day of 2000)</p> <p>C = Microfilm number 00 = Electronic claim 11 = Paper claim</p> <p>D = Batch number</p> <p>E = Claim number If the first number is: 0 = Regular claim 1 = Negative side adjustment claim (Medicaid recovers payment) 2 = Positive side adjustment claim (Medicaid reprocesses)</p>
10. Service dates	Date(s) services were provided. If service(s) were performed in a single day, the same date will appear in both columns
11. Unit of service	The units of service rendered under this procedure, NDC code or revenue code.
12. Procedure/revenue/NDC	The procedure code (CPT, HCPCS, or local), National Drug Code (NDC), or revenue code will appear in this column. If a modifier was used, it will also appear in this column.
13. Total charges	The amount a provider billed for this service.
14. Allowed	The Medicaid allowed amount.
15. Copay	A "Y" indicates cost sharing was deducted from the allowed amount, and an "N" indicates cost sharing was not deducted.
16. Reason/Remark code	A code which explains why the service was denied or pended. Descriptions of these codes are listed at the end of the RA.
17. Deductions, billed amount, and paid amount	Any deductions, such as cost sharing or third party liability are listed first. The amount the provider billed is next, followed by the amount of Medicaid reimbursement.



The credit balance section is informational only. Do not post from credit balance statements.

Claims shown as pending with reason code 133 require additional review before a decision to pay or deny is made. If a claim is being held while waiting for client eligibility information, it may be suspended for a maximum of 30 days. If Medicaid receives eligibility information within the 30-day period, the claim will continue processing. If no eligibility information is received within 30 days, the claim will be denied. When a claim is denied for lack of eligibility, the provider should verify that the correct Medicaid ID number was billed. If the ID number was incorrect, resubmit the claim with the correct ID number.

Credit balances

Credit balances occur when claim adjustments reduce original payments causing the provider to owe money to the Department. These claims are considered in process and continue to appear on the RA until the credit has been satisfied.

Credit balances can be resolved in two ways:

1. By “working off” the credit balance. Remaining credit balances can be deducted from future claims. These claims will continue to appear on consecutive RAs until the credit has been paid.
2. By sending a check payable to DPHHS for the amount owed. This method is required for providers who no longer submit claims to Montana Medicaid. Please attach a note stating that the check is to pay off a credit balance and include your provider number. Send the check to the attention of the *Provider Relations Field Representative* at the Provider Relations address in *Key Contacts*.

Rebilling and Adjustments

Rebillings and adjustments are important steps in correcting any billing problems you may experience. Knowing when to use the rebilling process versus the adjustment process is important.



Medicaid does not accept any claim for resubmission or adjustment after 12 months from the date of service (see *Timely Filing Limits* in *Billing Procedures* chapter).

How long do I have to rebill or adjust a claim?

- Providers may resubmit or adjust any initial claim within the timely filing limits described in the *Billing Procedures* chapter of this manual.
- These time periods do not apply to overpayments that the provider must refund to the Department. After the 12 month time period, a provider may not refund overpayments to the Department by completing a claim adjustment. The provider may refund overpayments by issuing a check or requesting Provider Relations (see *Credit balances* #2 above) to complete a gross adjustment.

Rebilling Medicaid

Rebilling is when a provider submits a claim to Medicaid that was previously submitted for payment but was either returned or denied. Claims are often returned to the provider before processing because key information such as Medicaid provider number or authorized signature and date are missing or unreadable. For tips on preventing returned or denied claims, see the *Billing Procedures* and *Completing a Claim* chapters.

When to rebill Medicaid

- ***Claim Denied.*** Providers can rebill Medicaid when a claim is denied in full, as long as the claim was denied for reasons that can be corrected. When the entire claim is denied, check the reason and remark code, make the appropriate corrections, and resubmit the claim on a UB-92 form (not the adjustment form).
- ***Claim Returned.*** Rebill Medicaid when the claim is returned under separate cover. Occasionally, Medicaid is unable to process the claim and will return it to the provider with a letter stating that additional information is needed to process the claim. Correct the information as directed and resubmit your claim.

How to rebill

- Check any reason and remark code listed and make your corrections on a copy of the claim, or produce a new claim with the correct information.
- Enter any insurance (TPL) information on the corrected claim, or attach insurance denial information to the corrected claim, and send it to Claims Processing (see *Key Contacts*).

Adjustments

If a provider believes that a claim has been paid incorrectly, the provider may call Provider Relations (see *Key Contacts*) or submit a claim inquiry for review (see the *Billing Procedures* chapter, *Claim Inquiries*). Once an incorrect payment has been verified, the provider may submit an *Individual Adjustment Request* form (in *Appendix A*) to Provider Relations. If incorrect payment was the result of an ACS keying error, contact Provider Relations.

When adjustments are made to previously paid claims, the Department recovers the original payment and issues appropriate repayment. The result of the adjustment appears on the provider's RA as two transactions. The original payment will appear as a credit transaction. The replacement claim reflecting the corrections will be listed as a separate transaction and may or may not appear on the same RA as the credit transaction. The replacement transaction will have nearly the same ICN number as the credit transaction, except the 12th



Rebill denied claims only after appropriate corrections have been made.



Adjustments can only be made to paid claims.

digit will be a 2, indicating an adjustment. See *Key Fields on the Remittance Advice* earlier in this chapter. Adjustments are processed in the same time frame as claims.

When to request an adjustment

- Request an adjustment when a claim was overpaid or underpaid.
- Request an adjustment when a claim was paid but the information on the claim was incorrect (such as client ID, provider number, date of service, procedure code, diagnoses, units, etc.).
- Request an adjustment when a single line on a multi-line claim was denied.

How to request an adjustment

To request an adjustment, use the *Montana Medicaid Individual Adjustment Request* form in *Appendix A*. The requirements for adjusting a claim are as follows:

- Claims Processing must receive individual claim adjustment requests within 12 months from the date of service (see *Timely Filing Limits* in the *Billing Procedures* chapter). After this time, *gross adjustments* are required (see *Definitions*).
- Use a separate adjustment request form for each ICN.
- If you are correcting more than one error per ICN, use only one adjustment request form, and include each error on the form.
- If more than one line of the claim needs to be adjusted, indicate which lines and items need to be adjusted in the *Remarks* section of the adjustment form.

Completing an Adjustment Request Form

1. Copy the *Montana Medicaid Individual Adjustment Request* form from *Appendix A*. You may also order forms from Provider Relations or download them from the Provider Information website (see *Key Contacts*). Complete Section A first with provider and client information and the claim's ICN number (see following table and sample RA).
2. Complete Section B with information about the claim. Remember to fill in only the items that need to be corrected (see following table):
 - Enter the date of service or the line number in the *Date of Service or Line Number* column.
 - Enter the information from the claim form that was incorrect in the *Information on Statement* column.
 - Enter the correct information in the column labeled *Corrected Information*.

Completing an Individual Adjustment Request Form	
Field	Description
Section A	
1. Provider name and address	Provider's name and address (and mailing address if different).
2. Recipient name	The client's name is here.
3.* Internal control number (ICN)	There can be only one ICN per adjustment request form. When adjusting a claim that has been previously adjusted, use the ICN of the most recent claim.
4.* Provider number	The provider's Medicaid ID number.
5.* Recipient Medicaid number	Client's Medicaid ID number.
6. Date of payment	Date claim was paid is found on remittance advice field #5 (see the sample RA earlier in this chapter).
7. Amount of payment	The amount of payment from the remittance advice field #17 (see the sample RA earlier in this chapter.).
Section B	
1. Units of service	If a payment error was caused by an incorrect number of units, complete this line.
2. Procedure code/ NDC/ Revenue code	If the procedure code, NDC, or revenue code is incorrect, complete this line.
3. Dates of service (D.O.S)	If the date(s) of service is incorrect, complete this line.
4. Billed amount	If the billed amount is incorrect, complete this line.
5. Personal resource (Nursing facility)	If the client's personal resource amount is incorrect, complete this line.
6. Insurance credit amount	If the client's insurance credit amount is incorrect, complete this line.
7. Net (Billed – TPL or Medicare paid)	If the payment error was caused by a missing or incorrect insurance credit, complete this line. Net is billed amount minus the amount third party liability or Medicare paid.
8. Other/Remarks	If none of the above items apply, or if you are unsure what caused the payment error, complete this line.

* Indicates a required field. Signature and date are also required.

3. Attach copies of the RA and a corrected claim if necessary.

- If the original claim was billed electronically, a copy of the RA will suffice.
- If the RA is electronic, attach a screen print of the RA.

4. Verify the adjustment request has been signed and dated.

5. Send the adjustment request to Claims Processing (see *Key Contacts*).

- If an original payment was an underpayment by Medicaid, the adjustment will result in the provider receiving the additional payment amount allowed.

- If an original payment was an overpayment by Medicaid, the adjustment will result in recovery of the overpaid amount through a credit. If the result is a credit balance, it can be worked off or the provider can pay off the balance by check (see *Credit balances* earlier in this chapter).
- Any questions regarding claims or adjustments must be directed to Provider Relations (see *Key Contacts*).

Mass adjustments

Mass adjustments are done when it is necessary to reprocess multiple claims. They generally occur when:

- Medicaid has a change of policy or fees that is retroactive. In this case federal laws require claims affected by the changes to be mass adjusted.
- A system error that affected claims processing is identified.

Providers are informed of mass adjustments on the first page of the remittance advice (RA Notice section). Mass adjustment claims shown on the RA have an ICN that begins with a "4" (see *Key Fields on the Remittance Advice* earlier in this chapter).

MONTANA MEDICAID/MHSP/CHIP INDIVIDUAL ADJUSTMENT REQUEST			
INSTRUCTIONS: This form is for providers to correct a claim which has been paid at an incorrect amount or was paid with incorrect information. Complete all the fields in Section A with information about the paid claim from your statement. Complete ONLY the items in Section B which represent the incorrect information that needs changing. For help with this form, refer to the <i>Remittance Advices and Adjustments</i> chapter in your program manual or the <i>General Information For Providers II</i> manual, or call (800) 624-3958 (Montana Providers) or (406) 442-1837 (Helena and out-of-state providers).			
A. COMPLETE ALL FIELDS USING THE PAYMENT STATEMENT (R.A.) FOR INFORMATION			
1. PROVIDER NAME & ADDRESS		3. INTERNAL CONTROL NUMBER (ICN)	
Community Hospital		00436011250000600	
Name		4. PROVIDER NUMBER	
123 Medical Drive		1234567	
Street or P.O. Box		5. CLIENT ID NUMBER	
Anytown, MT 59999		123456789	
City State Zip		6. DATE OF PAYMENT 02/15/03	
2. CLIENT NAME		7. AMOUNT OF PAYMENTS 11.49	
Jane Doe			
B. COMPLETE ONLY THE ITEM(S) WHICH NEED TO BE CORRECTED			
	DATE OF SERVICE OR LINE NUMBER	INFORMATION STATEMENT	CORRECTED INFORMATION
1. Units of Service	Line 2	2	1
2. Procedure Code/N.D.C./Revenue Code			
3. Dates of Service (D.O.S.)	Line 3	02/01/03	01/23/03
4. Billed Amount			
5. Personal Resource (Nursing Home)			
6. Insurance Credit Amount			
7. Net (Billed - TPL or Medicare Paid)			
8. Other/REMARKS (BE SPECIFIC)			
SIGNATURE: <u>John R. Smith, M.D.</u> DATE: <u>04/15/03</u>			
When the form is complete, attach a copy of the payment statement (RA) and a copy of the corrected claim (unless you bill EMC).			
MAIL TO: Provider Relations ACS P.O. Box 8000 Helena, MT 59604			

Sample Adjustment Request

Payment and The RA

Providers may receive their Medicaid payment and remittance advice either weekly or biweekly. Payment can be via check or electronic funds transfer (EFT). Direct deposit is another name for EFT. Providers who wish to receive weekly payment must request both EFT and electronic RAs and specifically request weekly payment. For biweekly payment, providers can choose any combination of paper/electronic payment method and RA.

Electronic Funds Transfer

With EFT, the Department deposits the funds directly to the provider's bank account. If the scheduled deposit day is a holiday, funds will be available on the next business day. This process does not affect the delivery of the remittance advice that providers currently receive with payments. RAs will continue to be mailed to providers unless they specifically request an electronic RA.

To participate in EFT, providers must complete a *Direct Deposit Sign-Up Form* (Standard Form 1199A) (see the following table). One form must be completed for each provider number.

Once electronic transfer testing shows payment to the provider's account, all Medicaid payments will be made through EFT. To arrange for EFT, call the number listed under *Direct Deposit Arrangements* in *Key Contacts*.

Electronic Remittance Advice

To receive an electronic RA, the provider must be enrolled in electronic funds transfer and have internet access. You can access your electronic RA through the Montana Eligibility and Payment System (MEPS) on the internet through the Virtual Human Services Pavilion (see *Key Contacts*). In order to access MEPS, you must complete an *Access Request Form* (see the following table).

After this form has been processed, you will receive a password. Entry into the system requires a valid provider or group number and password. Each provider or group number requires a unique password, so providers must complete a separate request form for each provider or group.

RAs are available from MEPS in PDF and a flat file format. You can read, print, or download PDF files using Adobe Acrobat Reader, which is available on the "SOR Download" page. The file layout for flat files is also available on the SOR download page. Due to space limitations, each RA is only available for six weeks.



Weekly payments are available only to providers who receive both EFT and electronic RAs.



Electronic RAs are available for only six weeks on MEPS

Required Forms For EFT and/or Electronic RA

All three forms are required for a provider to receive weekly payment

Form	Purpose	Where to Get	Where to Send
Electronic Remittance Advice and Payment Cycle Enrollment Form	Allows provider to receive electronic remittance advices on MEPS (must also include MEPS Access Request form)	<ul style="list-style-type: none"> • Provider Information website • Provider Relations (see <i>Key Contacts</i>) 	Provider Relations (see <i>Key Contacts</i>)
Direct Deposit Sign-up Form Standard Form 1199A	Allows the Department to automatically deposit Medicaid payment into provider's bank account	<ul style="list-style-type: none"> • Provider Information website (see <i>Key Contacts</i>) • Provider's bank 	Provider Relations (see <i>Key Contacts</i>)
MEPS Access Request Form	Allows provider to receive a password to access their RA on MEPS	<ul style="list-style-type: none"> • Provider Information website • Virtual Human Services Pavilion • Direct Deposit Arrangements (see <i>Key Contacts</i>) 	DPHHS address on the form

Other Programs

The information in this chapter applies to outpatient hospital services for clients who are enrolled in the Mental Health Services Plan (MHSP). The information in this chapter does not apply to clients enrolled in the Children's Health Insurance Plan (CHIP). The CHIP Medical Manual is available through BlueCross BlueShield at (800) 447-7828 X8647.

How Payment Is Calculated

Overview

Though providers do not need the information in this chapter to submit claims to the Department, the information allows providers to understand how payment is calculated and to predict approximate payment for particular claims.

The Inpatient Payment System

Several methods of payment are used for inpatient hospital services. These include prospective payment using the Diagnosis Related Groups (DRG), cost-based payment that is retrospectively adjusted at the end of a reporting period and payment based on a percentage of allowed charges.

- Prospective payment using the Diagnosis Related Group method is used for:
 - Montana referral hospitals, except high-risk neonatal cases (DRGs 385 - 389) in designated perinatal subspecialty centers.
 - Other in-state DRG hospitals.
 - Border hospitals (within 100 miles of Montana's border)
 - Distinct-part units of Montana DRG hospitals and border hospitals.
- Hospitals and service subject to the cost based payment method include:
 - Isolated hospitals located in rural counties.
 - Critical Access Hospitals (CAHs)
 - High-risk neonatal cases (DRGs 385-389) in designated Montana perinatal subspecialty centers.
- Certain out-of-state hospitals (more than 100 miles from Montana's border) are paid fifty (50) percent of billed charges for medically necessary inpatient services.

The Inpatient Prospective Payment Method using Diagnosis Related Groups (DRG)

For most cases, payment equals the relative weight for the DRG times the base price plus the applicable additive factors, such as medical education, capital add-on, and/or disproportionate share. The overall method is similar to and based upon that employed by Medicare. In addition to outlier protections, Montana Medicaid's method also includes a number of features designed to protect hospitals from the cost of unusually expensive cases. These features are described below.

Upon the discharge or transfer of each client, hospitals submit a claim to Montana Medicaid. The claim will provide, among other information, the client's principal diagnosis, additional diagnoses, principal and secondary procedures, age and sex. These variables are passed through a DRG grouper program to determine the appropriate DRG for each discharge. Although hospitals may indicate the anticipated DRG on the billing invoice, the Medicaid grouper program is the final determinant in assigning the payable DRG to each case. Interim billing is only allowed in specific situations noted in this chapter.

The Medicaid grouper is updated prior to October of each year to coincide with the current grouper being used by Medicare. This will allow hospitals to bill Medicare and Medicaid using the same codes and grouper.

After Medicaid has determined the allowed payment amount, that amount is reduced by any reported third party liability amount, copayment amount, Medicare Part A payment amount and client responsibility (Incurment), then Medicaid pays the remainder.

Relative Weights and Reimbursement Data

Please refer to the Provider Information website for relative values, cost outlier thresholds and average length of stay information by DRG code (see *Key Contacts*).

Some DRGs that are uncommon in Montana do not have a weight assigned. These DRGs, when they do occur, are paid by multiplying the covered charges times the statewide cost-to-charge ratio.

A number of DRG codes have been extended to recognize the differences in intensity of care between children and adults and between large referral hospitals and other hospitals. These "split DRGs" different relative weights depending on the suffix attached to the DRG number. This information is available on the fee schedule, which is available on the Provider Information website (see *Key Contacts*).

To designate the DRG for children versus adults, a fourth digit has been added to the DRG. A "1" in that position indicates this is a pediatric DRG. A "2" in the fourth position indicates this is an adult DRG.

To designate the DRG for large referral hospitals versus other DRG hospitals, a fifth digit has been added to the DRG. A "1" in the fifth position indicates this DRG applies to all DRG hospitals except for the large referral hospitals. A "2" in the fifth position indicates the DRG applies only to the large referral hospitals.

Computational Formulas and Definitions

- Covered Charges = Sum of line item charges minus line non-covered charges from the claim.
- Statewide Cost-to-Charge Ratio = Ratio published in the Administrative Rules of Montana. A table outlining the statewide cost-to-charge ratio and effective dates is available on the Provider Information website (see *Key Contacts*).
- Base Price = Statewide average cost per discharge. The base price is published in the Administrative Rules of Montana. A table outlining the DRG Base Price and effective dates is available on the Provider Information website (see *Key Contacts*). The base price excludes capital related expenses and medical expenses.
- DRG Base = Base price multiplied by DRG relative weight.
- Gross DRG Amount = DRG base plus additive factors.
- Cost Outlier Amount = (Allowed charges multiplied by the statewide cost-to-charge ratio) minus the cost outlier threshold) multiplied by the marginal cost outlier percentage (60%).
- Allowed Medicaid DRG payment = Gross DRG Amount plus cost outlier amount.
- Per Diem = Allowed Medicaid DRG payment / statewide average length of stay for the DRG
- Transferring hospitals: First Day = 2 x DRG Per Diem
Subsequent days = DRG Per Diem
- Partial eligibility = (Gross DRG amount / DRG average length of stay) x eligible days

Additive Factors

Certain costs may be paid in addition to the methods described above. (Additive factors) These costs include:

- Payment for medical education: These costs are paid as a hospital-specific payment per discharge for instate and border facilities.
- Payment for capital expenses: These costs are paid as a hospital-specific payment per discharge for in-state hospitals and \$229 per discharge for out-of-state hospitals within 100 miles of the Montana border.

Cost Outliers

Cases that have been identified as having unusually high costs are eligible for outlier payments if they exceed the thresholds for outlier status.

The cost outlier thresholds are shown on the fee schedule available on the Provider Information website (see *Key Contacts*). To determine if a hospital stay exceeds the cost outlier threshold, the Montana Medicaid Program excludes all services provided that are not medically necessary. Montana Medicaid then converts the charge information for medically necessary services into cost information by applying a statewide average cost-to-charge ratio. The cost for the medically necessary services is then compared to the cost outlier threshold for the appropriate DRG to determine if the case qualifies for reimbursement as a cost outlier. Costs exceeding the threshold are multiplied by a marginal cost ratio (60%) to determine the outlier reimbursement amount.

Hospital Residents

Payment for Hospital residents will be made as follows:

- Payment for the first 180 days of inpatient care will be the DRG payment plus any appropriate outliers; and
- Payment for all medically necessary client care subsequent to 180 days will be reimbursed at a rate computed by multiplying the statewide average cost-to-charge ratio by the usual and customary billed charges.

Partial Client Eligibility

If the client is only eligible during a portion of the hospital stay, the Gross DRG is prorated by dividing the Gross DRG amount by the DRG days (average length of stay), then multiplied by the eligible days. Payment will not exceed the allowed Medicaid DRG payment computed without pro-ration.

Transfers

When a client is transferred between two hospitals, the transferring hospital is paid a per diem rate of two times the average per diem amount for the first inpatient day plus the average per diem rate for each subsequent day of inpatient care. Per Diem is calculated by dividing the allowed Medicaid DRG payment for the case by the statewide average length of stay for the DRG.

The hospital that ultimately discharges the client receives the allowed Medicaid DRG payment

Occasionally, a client is transferred from one hospital to another and then back to the original hospital when the condition causing the transfer is alleviated. Thus a hospital can be a transferring and discharging hospital. The discharging hospital should submit separate claims, one for the original admission and transfer and a second for the final discharge. The hospital that treats and transfers the client back to the original hospital is considered the transferring hospital and is eligible for the per diem.

The Cost Based Payment Method for Exempt Hospitals and Services

Certain hospitals and services are paid for the cost of providing care as determined through the annual cost reporting process. In the interim, these hospitals are paid a hospital-specific percentage of their charges. The percentage equals the hospital's estimated cost-to-charge ratio as determined by the Department. Critical access hospitals and isolated hospitals in rural counties designated exempt by the Department are paid using this method, as well as high risk neonatal cases (DRG 385-389) in designated Montana perinatal subspecialty centers.

Out of state non border hospitals are paid 50% of billed charges for medically necessary inpatient services. Services provided outside of the United States are not paid.

How Payment is Calculated on TPL Claims

When a client has coverage from both Medicaid and another insurance company, the other insurance company is often referred to as Third Party Liability or TPL. In these cases, the other insurance is the primary payer (as described in the *Coordination of Benefits* chapter of this manual), and Medicaid makes a payment as the secondary payer. Medicaid will make a payment only when the TPL payment is less than the Medicaid allowed amount.

How Payment is Calculated on Medicare Crossover Claims

When a client has coverage from both Medicare and Medicaid, Medicare is the primary payer. Medicaid will pay the coinsurance and deductible, less any TPL or incurment, on inpatient hospital claims for these dually eligible individuals.

Payment Examples for Dually Eligible Clients

Client has Medicare and Medicaid coverage. A provider submits an inpatient hospital claim for a client with Medicare and Medicaid. The Medicare coinsurance and deductible are \$65.00 and \$185.00. This total (\$250.00) becomes the Medicaid allowed amount. Medicaid will pay this amount (\$250.00) as long as no TPL or incurment amounts are applicable.

Client has Medicare, Medicaid, and TPL. A provider submits an inpatient hospital claim for a client with Medicare, Medicaid, and TPL. The Medicare coinsurance and deductible are \$65.00 and \$185.00. This total (\$250.00) becomes the Medicaid allowed amount. The other insurance company paid \$225.00. This amount is subtracted from the Medicaid allowed amount leaving \$25.00. Medicaid pays \$25.00 for this claim. If the TPL payment had been \$250.00 or more, this claim would have paid at \$0.00.

Client has Medicare, Medicaid, and Medicaid incurment. A provider submits an inpatient hospital claim for a client with Medicare, Medicaid, and a Medicaid incurment. The Medicare coinsurance and deductible are \$65.00 and \$185.00. This total (\$250.00) becomes the Medicaid allowed amount. The client owes \$150 for his Medicaid incurment, so this amount is subtracted from the \$250.00. Medicaid will pay the provider \$100.00 for this claim.

Other Programs

This chapter does not apply to clients who are enrolled in the Mental Health Services Plan (MHSP). Providers will find more information on mental health services in the *Mental Health* manual available on the Provider Information website (see *Key Contacts*). The information in this chapter does not apply to clients enrolled in the Children's Health Insurance Plan (CHIP). The CHIP Medical Manual is available through BlueCross BlueShield at (800) 447-7828 X8647.

Appendix A: Forms

- *Montana Medicaid/MHSP/CHIP Individual Adjustment Request*
- *Medicaid Abortion Certification*
- *Informed Consent to Sterilization (MA-38)*
- *Medicaid Hysterectomy Acknowledgment (MA-39)*
- *Montana Medicaid Claim Inquiry Form*
- *Paperwork Attachment Cover Sheet*

**MONTANA MEDICAID/MHSP/CHIP
INDIVIDUAL ADJUSTMENT REQUEST**

INSTRUCTIONS:

This form is for providers to correct a claim which has been paid at an incorrect amount or was paid with incorrect information. Complete all the fields in Section A with information about the paid claim from your statement. Complete **ONLY** the items in Section B which represent the incorrect information that needs changing. For help with this form, refer to the *Remittance Advices and Adjustments* chapter in your program manual or the *General Information For Providers II* manual, or call (800) 624-3958 (Montana Providers) or (406) 442-1837 (Helena and out-of-state providers).

A. COMPLETE ALL FIELDS USING THE PAYMENT STATEMENT (R.A.) FOR INFORMATION

1. PROVIDER NAME & ADDRESS _____ Name _____ Street or P.O. Box _____ City State Zip	3. INTERNAL CONTROL NUMBER (ICN) _____ 4. PROVIDER NUMBER _____ 5. CLIENT ID NUMBER _____ 6. DATE OF PAYMENT _____ 7. AMOUNT OF PAYMENT \$ _____
2. CLIENT NAME _____	

B. COMPLETE ONLY THE ITEM(S) WHICH NEED TO BE CORRECTED

	DATE OF SERVICE OR LINE NUMBER	INFORMATION STATEMENT	CORRECTED INFORMATION
1. Units of Service			
2 Procedure Code/N.D.C./Revenue Code			
3. Dates of Service (D.O.S.)			
4. Billed Amount			
5. Personal Resource (Nursing Home)			
6. Insurance Credit Amount			
7. Net (Billed - TPL or Medicare Paid)			
8. Other/REMARKS (BE SPECIFIC) 			

SIGNATURE: _____ **DATE:** _____

When the form is complete, attach a copy of the payment statement (RA) and a copy of the corrected claim (unless you bill EMC).

**MAIL TO: Provider Relations
ACS
P.O. Box 8000
Helena, MT 59604**

MEDICAID RECIPIENT/PHYSICIAN ABORTION CERTIFICATION

MEDICAID CLAIMS FOR ABORTION SERVICES WILL NOT BE PAID UNLESS THIS FORM IS COMPLETED IN FULL AND A COPY IS ATTACHED TO THE MEDICAID CLAIM FORM.

Recipient Name: _____ Provider Name: _____

Part I, II or III must be completed and the physician completing the procedure must sign below.

I. IF THE ABORTION IS NECESSARY TO SAVE THE RECIPIENT'S LIFE, THE FOLLOWING MUST BE COMPLETED BY THE PHYSICIAN:

In my professional opinion, recipient suffers from a physical disorder, physical injury or physical illness (or life-endangering physical condition caused by or arising from the pregnancy itself) that would place the recipient in danger of death unless an abortion is performed.

(attach additional sheets as necessary)

II. IF THE PREGNANCY RESULTED FROM RAPE OR INCEST, THE FOLLOWING MUST BE COMPLETED BY THE RECIPIENT AND PHYSICIAN:

RECIPIENT CERTIFICATION: I Hereby certify that my current pregnancy resulted from an act of rape or incest.

PHYSICIAN CERTIFICATION: If the pregnancy resulted from rape or incest, the physician must mark one of the following and sign below:

- ___ a. The recipient has stated to me that she has reported the rape or incest to a law enforcement or protective services agency having jurisdiction in the matter or, if the patient is a child enrolled in a school, to a school counselor; or
- ___ b. Based upon my professional judgement, the recipient was and is unable for physical or psychological reasons to report the act of rape or incest.

III. IF THE ABORTION IS MEDICALLY NECESSARY BUT THE RECIPIENT'S LIFE IS NOT IN DANGER, THE FOLLOWING MUST BE COMPLETED BY THE PHYSICIAN:

In my professional opinion, an abortion is medically necessary for the following reasons:

(attach additional sheets as necessary)

PHYSICIAN SIGNATURE: _____ **DATE:** _____

THE INFORMATION CONTAINED IN THIS FORM IS CONFIDENTIAL. THIS INFORMATION IS PROVIDED FOR PURPOSES RELATED TO ADMINISTRATION OF THE MEDICAID PROGRAM AND MAY NOT BE RELEASED FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN CONSENT OF THE RECIPIENT.

STATE OF MONTANA
DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES
INFORMED CONSENT TO STERILIZATION

Medicaid Approved

NOTICE: YOUR DECISION AT ANY TIME NOT TO BE STERILIZED WILL NOT RESULT IN THE WITHDRAWAL OR WITHHOLDING OF ANY BENEFITS PROVIDED BY PROGRAMS OR PROJECTS RECEIVING FEDERAL FUNDS.

■ CONSENT TO STERILIZATION ■

I have asked for and received information about sterilization from _____ . When I first asked for _____
(Doctor or Clinic)
the information, I was told that the decision to be sterilized is completely up to me. I was told that I could decide not to be sterilized. If I decide not to be sterilized, my decision will not affect my right to future care to treatment. I will not lose any help or benefits from programs receiving Federal funds, such as AFDC or Medicaid that I am now getting or for which I may become eligible.

I UNDERSTAND THAT THE STERILIZATION MUST BE CONSIDERED PERMANENT AND NOT REVERSIBLE. I HAVE DECIDED THAT I DO NOT WANT TO BECOME PREGNANT, BEAR CHILDREN OR FATHER CHILDREN.

I was told about those temporary methods of birth control that are available and could be provided to me which will allow me to bear or father a child in the future. I have rejected those alternatives and chosen to be sterilized.

I understand that I will be sterilized by an operation known as a _____ . The discomforts, risks and benefits associated with the operation have been explained to me. All my questions have been answered to my satisfaction.

I understand that the operation will not be done until at least thirty days after I sign this form. I understand that I can change my mind at any time and that my decision at any time not to be sterilized will not result in the withholding of any benefits or medical services provided by Federally funded programs.

I am at least 21 years of age and was born on _____
(month) (day) (year)

I, _____, hereby consent of my own free will to be sterilized by _____

(Doctor)
by a method called _____. My consent expires 180 days from the date of my signature below.

I also consent to the release of this form and other medical records about the operation to:

Representatives of the Department of Health & Human Services or Employees of programs or projects funded by that department but only for determining if Federal laws were observed.

I have received a copy of this form.

(Signature)

(Date)

You are requested to supply the following information, but it is not required.
Race and ethnicity designation (please check):

- | | |
|---|--|
| <input type="checkbox"/> American Indian or
Alaskan Native | <input type="checkbox"/> Black (not of Hispanic origin)
<input type="checkbox"/> Hispanic |
| <input type="checkbox"/> Asian or Pacific Islander | <input type="checkbox"/> White (not of Hispanic origin) |

■ INTERPRETER'S STATEMENT ■

If an interpreter is provided to assist the individual to be sterilized:

I have translated the information and advice presented orally to the individual to be sterilized by the person obtaining this consent. I have also read him/her the consent form in _____ language and explained its contents to him/her. To the best of my knowledge and belief he/she understood this explanation.

(Interpreter)

(Date)

■ STATEMENT OF PERSON OBTAINING CONSENT ■

Before _____ signed
(name of individual)

the consent form, I explained to him/her the nature of the sterilization operation _____, the fact that it is intended to be a final and irreversible procedure and the discomforts, risks and benefits associated with it.

I counseled the individual to be sterilized that alternative methods of birth control are available which are temporary. I explained that sterilization is different because it is permanent.

I informed the individual to be sterilized that his/her consent can be withdrawn at any time and that he/she will not lose any health services or any benefits provided by Federal funds.

To the best of my knowledge and belief, the individual to be sterilized is at least 21 years old and appears mentally competent. He/she knowingly and voluntarily requested to be sterilized and appears to understand the nature and consequences of the procedure.

(Signature of person obtaining consent)

(date)

(Facility)

(Address)

■ PHYSICIAN'S STATEMENT ■

Shortly before I performed a sterilization operation upon _____

(Name of person being sterilized)
on _____

(date of sterilization operation)

I explained to him/her the nature of the sterilization operation _____, the fact that it is

(specify type of operation)
intended to be a final and irreversible procedure and the discomforts, risks and benefits associated with it.

I counseled the individual to be sterilized that alternative methods of birth control are available which are temporary. I explained that sterilization is different because it is permanent.

I informed the individual to be sterilized that his/her consent can be withdrawn at any time and that he/she will not lose any health services or benefits provided by Federal funds.

To the best of my knowledge and belief, the individual to be sterilized is at least 21 years old and appears mentally competent. He/she knowingly and voluntarily requested to be sterilized and appeared to understand the nature and consequences of the procedure

(Instructions for use of alternative final paragraphs: Use the first paragraph below except in the case of premature delivery or emergency abdominal surgery where the sterilization is performed less than 30 days after the date of the individual's signature on the consent form. In those cases, the second paragraph below must be used. Cross out the paragraph which is not used.)

(1) At least thirty days have passed between the date of the individual's signature on this consent form and the date the sterilization was performed.

(2) This sterilization was performed less than 30 days but more than 72 hours after the date of the individual's signature on this consent form because of the following circumstances (check applicable box and fill in information requested):

- ☐ Premature delivery
☐ Individual's expected date of delivery: _____
☐ Emergency abdominal surgery:
(describe circumstances): _____

(Physician)

(Date)

Instructions for Completing the *Informed Consent to Sterilization* (MA-38)

- No fields on this form may be left blank, except the interpreter's statement.
- This form must be legible, accurate, and revisions are not accepted.
- Do not use this form for hysterectomies (see following *Hysterectomy Acknowledgment* form.)

Consent to Sterilization (complete at least 30 days prior to procedure)

1. Enter the doctor's name or clinic name.
2. Enter the name of the sterilization procedure (e.g., tubal ligation, vasectomy, etc.).
3. Enter the client's date of birth in month/day/year format. The client must be at least 21 years old at the time of consent.
4. Enter the client's full name. Do not use nicknames. The name should match the client's name on the Medicaid ID card.
5. Enter the name of the physician who will perform the procedure.
6. Enter the name of the specific procedure (method) to be used.
7. Have the client sign and date the form. **This date must be at least 30 days before the sterilization procedure is to be performed** (see *Covered Services* for exceptions).

Interpreter's Statement

Complete this section only if the client requires an interpreter because of blindness, deafness, or inability to speak the language. In these cases interpreter services must be used to assure that the client clearly understands the concepts of the informed consent.

1. Identify the manner the interpreter used to provide the explanation. (e.g., Spanish, sign language, etc.)
2. Have the interpreter sign and date the form. This date should be the same as the date the client signs the form.

Statement of Person Obtaining Consent

1. Enter the client's name.
2. Enter the name of the sterilization procedure.
3. Enter the signature and date of the person who explained the sterilization procedure to the client and obtained the consent.
4. Enter the name of the facility where consent was obtained, such as clinic name.
5. Enter the address of the facility where the consent was obtained.

Physician's Statement

This section must be completed by the attending physician on or after the date the procedure was performed.

1. Enter the name of the client.
2. Enter the date the procedure was performed. This date and the date of service on the claim must match.
3. Enter the name of the procedure.
4. Use the space under *Instructions for use of alternative final paragraphs* to explain unusual situations, or attach a letter to explain the circumstances. In cases of premature delivery, this must include the client's expected date of delivery. In cases of emergency abdominal surgery, include an explanation of the nature of the emergency.
5. The Physician signs and dates on or after the date of the procedure.

If the physician signs and dates this section prior to the sterilization procedure, the claims will be denied. If the form was filled out after the sterilization but was dated incorrectly, the physician must attach a written explanation of the error. This written explanation must be signed by the physician. Copies of the letter will need to be supplied to all other providers involved with this care before their claims will be paid.

The attending physician must complete the second *alternative final paragraphs* of the Physician's Statement portion of the consent form in cases of premature deliver or emergency abdominal surgery. In cases of premature delivery, the expected delivery date must be completed in this field as well.

MEDICAID HYSTERECTOMY ACKNOWLEDGMENT

A.	RECIPIENT ACKNOWLEDGMENT STATEMENT
<p>I certify that prior to the surgery (hysterectomy), I received both orally and in writing information which explained that I would become permanently sterile and that I would be incapable of reproducing children after the surgery is completed.</p> <p>Signature of Recipient: _____ Date: _____</p>	
PHYSICIAN ACKNOWLEDGMENT STATEMENT	
<p>I certify that prior to performing the surgery, I advised _____ (Name of Recipient) both orally and in writing that the surgical procedure known as a hysterectomy would render her permanently sterile and that she would be incapable of reproducing children after the surgical procedure is completed. I also certify that this procedure is being done primarily for medical reasons other than sterilization.</p> <p>Signature of Physician: _____ Date: _____</p>	
SIGNATURE OF INTERPRETER (If Required)	
<p>Signature of Interpreter: _____ Date: _____</p>	

B.	STATEMENT OF PRIOR STERILITY
<p>I certify that _____ (Name of Recipient) was already sterile and unable to bear children at the time the hysterectomy or other procedure capable of causing sterility was performed. The cause of this recipient's sterility was: _____</p> <p>_____ _____ _____</p> <p>Signature of Physician: _____ Date: _____</p>	

C.	STATEMENT OF LIFE THREATENING EMERGENCY
<p>I certify that the hysterectomy or other sterility causing procedure performed on _____ (Name of Recipient) was completed under a life threatening emergency situation in which prior acknowledgment was not possible. The nature of the emergency was _____</p> <p>_____ _____</p> <p>Signature of Physician: _____ Date: _____</p>	

This form may also be used as a substitute for the sterilization consent form for sterilization procedures where the patient is already sterile and for sterilization procedures (i.e., salpingo-oophorectomy, orchiectomy) done only for medical reasons. With these cases, replace "hysterectomy" with the appropriate procedure name.

Instructions for Completing the *Medicaid Hysterectomy Acknowledgment* Form (MA-39)

Complete only one section (A, B, or C) of this form. The client does not need to sign this form when sections B or C are used. This form may be used as a substitute for the *Informed Consent to Sterilization* form for sterilization procedures where the client is already sterile, and for sterilization procedures (i.e. salpingo-oophorectomy, orchiectomy, etc.) done only for medical reasons. In these cases, replace the word “hysterectomy” with the appropriate procedure name.

A. Recipient Acknowledgment Statement

This section is used to document that the client received information about the hysterectomy (or other sterilization-causing procedure such as salpingo-oophorectomy or orchiectomy) before it was performed. The client and the physician must complete this portion of the form together (with an interpreter if applicable) prior to the procedure. Do **not** use this section for cases of prior sterility or life-threatening emergency.

1. The client or representative must sign and date the form prior to the procedure.
2. Enter the client’s name.
3. The physician must sign and date the form prior to the procedure.
4. If interpreter services are used, the interpreter must sign and date the form prior to the procedure.

B. Statement of Prior Sterility

Complete this section if the client was already sterile at the time of the hysterectomy or other sterilization causing procedure (e.g., salpingo-oophorectomy or orchiectomy).

1. Enter the client’s name.
2. Explain the cause of the client’s sterility (e.g., post menopausal, post hysterectomy, etc.).
3. The physician must sign and date this portion of the form.

C. Statement of Life Threatening Emergency

Complete this section in cases where the *Medicaid Hysterectomy Acknowledgment* could not be completed prior to the surgery because of a life threatening emergency.

1. Enter the client’s name.
2. Explain the nature of the life-threatening emergency.
3. The physician must sign and date this portion of the form.

Montana Medicaid Claim Inquiry Form

Provider Name _____
 Contact Person _____
 Address _____
 Date _____
 Phone Number _____
 Fax Number _____



For status on a claim, please complete the information on this form and mail to the address below or fax to the number shown. You may attach a copy of the claim, but it is not required.

Provider number _____ Client number _____ Date of service _____ Total billed amount _____ Date submitted for processing _____	ACS Response: _____ _____ _____ _____ _____
Provider number _____ Client number _____ Date of service _____ Total billed amount _____ Date submitted for processing _____	ACS Response: _____ _____ _____ _____ _____
Provider number _____ Client number _____ Date of service _____ Total billed amount _____ Date submitted for processing _____	ACS Response: _____ _____ _____ _____ _____

Mail to:

Provider Relations
 P.O. Box 8000
 Helena, MT 59604

Fax to: (406) 442-4402

Paperwork Attachment Cover Sheet

Paperwork Attachment Control Number: _____

Date of service: _____

Medicaid provider number: _____

Medicaid client ID number: _____

Type of attachment: _____

Instructions:

This form is used as a cover sheet for attachments to electronic claims sent to Montana Medicaid. The *Paperwork Attachment Control Number* must be the same number as the *Attachment Control Number* on the corresponding electronic claim. This number should consist of the provider's Medicaid ID number, the client's Medicaid ID number and the date of service (mmddyyyy), each separated by a dash (9999999-999999999-99999999). This form may be copied or downloaded from our website www.mtmedicaid.org. If you have questions about which paper attachments are necessary for a claim to process, please call Provider Relations at (406) 442-1837 or (800) 624-3958.

Definitions and Acronyms

This section contains definitions, abbreviations, and acronyms used in this manual.

Administrative Rules of Montana (ARM)

The rules published by the executive departments and agencies of the state government.

Allowed Amount

The maximum amount reimbursed to a provider for a health care service as determined by Medicaid or another payer. Other cost factors, (such as cost sharing, TPL, or incurment) are often deducted from the allowed amount before final payment. Medicaid's allowed amount for each covered service is listed on the Department fee schedule.

Ancillary Provider

Any provider that is subordinate to the client's primary provider, or providing services in the facility or institution that has accepted the client as a Medicaid client.

Assignment of Benefits

A voluntary decision by the client to have insurance benefits paid directly to the provider rather than to the client. The act requires the signing of a form for the purpose. The provider is not obligated to accept an assignment of benefits. However, the provider may require assignment in order to protect the provider's revenue.

Authorization

An official approval for action taken for, or on behalf of, a Medicaid client. This approval is only valid if the client is eligible on the date of service.

Basic Medicaid

Patients with Basic Medicaid have limited Medicaid services. See the *General Information For Providers* manual, *Appendix A: Medicaid Covered Services*.

Border Hospital

A hospital located outside Montana, but no more than 100 miles from the border.

Bundled

Items or services that are deemed integral to performing a procedure or visit that are not paid separately, but are packaged (also called bundled) into the payment for the procedure or visit.

Cash Option

Cash option allows the client to pay a monthly premium to Medicaid and have Medicaid coverage for the entire month rather than a partial month.

Centers for Medicare and Medicaid Services (CMS)

Administers the Medicare program and oversees the state Medicaid programs. Formerly the Health Care Financing Administration (HCFA).

Children's Health Insurance Plan (CHIP)

This plan covers some children whose family incomes make them ineligible for Medicaid. DPHHS sponsors the program, which is administered by BlueCross BlueShield of Montana.

Clean Claim

A claim that can be processed without additional information from or action by the provider of the service.

Client

An individual enrolled in a Department medical assistance program.

Code of Federal Regulations (CFR)

Rules published by executive departments and agencies of the federal government.

Coinsurance

The client's financial responsibility for a medical bill as assigned Medicare (usually a percentage). Medicare coinsurance is usually 20% of the Medicare allowed amount.

Copayment

The client's financial responsibility for a medical bill as assigned by Medicaid (usually a flat fee).

Cosmetic

Serving to modify or improve the appearance of a physical feature, defect, or irregularity.

Cost Outlier

An unusually high cost case that exceeds the cost outlier thresholds.

Cost Sharing

The client's financial responsibility for a medical bill assessed by flat fee or percentage of charges.

Critical Access Hospital

A limited-service rural hospital licensed by DPHHS.

Crossovers

Claims for clients who have both Medicare and Medicaid. These claims may come electronically from Medicare or directly from the provider.

Direct Nursing Care

The care given directly to a client which requires the skills and expertise of an RN or LPN.

Discharging Hospital

A hospital, other than a transferring hospital, that formally discharges an inpatient. The release of a patient to another hospital or a leave of absence from the hospital is not considered a discharge.

Distinct Part Rehabilitation Unit

A unit of an acute care general hospital that meets the requirements in 42 CFR 412.25 and 412.29.

DPHHS, State Agency

The Montana Department of Public Health and Human Services (DPHHS or Department) is the designated State Agency that administers the Medicaid program. The Department's legal authority is contained in Title 53, Chapter 6 MCA. At the Federal level, the legal basis for the program is contained in Title XIX of the Social Security Act and Title 42 of the Code of Federal Regulations (CFR). The program is administered in accordance with the Administrative Rules of Montana (ARM), Title 37, Chapter 86.

Dual Eligibles

Clients who are covered by Medicare and Medicaid are often referred to as "dual eligibles."

Early and Periodic Screening, Diagnosis and Treatment (EPSDT)

This program provides Medicaid-covered children with comprehensive health screenings, diagnostic services, and treatment of health problems.

Emergency Medical Condition

A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain, psychiatric disturbances and/or symptoms of substance abuse) such that the absence of immediate medical attention could reasonably be expected to result in:

- Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
- Serious impairment to bodily functions; or
- Serious dysfunction of any bodily organ or part; or
- With respect to a pregnant woman who is having contractions:
 - That there is inadequate time to effect a safe transfer to another hospital before delivery; or
 - That transfer may pose a threat to the health of safety of the woman or the unborn child.

Emergency Services

Inpatient and outpatient hospital services that are necessary to treat an emergency medical condition (see above).

Exempt Hospital

An acute care hospital that is located in a Montana county designated on or before July 1, 1991 as continuum code 8 or continuum code 9 by the United States Department of Agriculture under its rural-urban continuum codes for metro and nonmetro counties. These hospitals are exempt from the prospective payment system.

Experimental

A non-covered item or service that researchers are studying to investigate how it affects health.

Fiscal Agent

ACS State Healthcare LLC is the fiscal agent for the State of Montana and processes claims at the Department's direction and in accordance with ARM 37.86 et seq.

Full Medicaid

Patients with Full Medicaid have a full scope of Medicaid benefits. See the *General Information For Providers* manual, *Appendix A: Medicaid Covered Services*.

Gross Adjustment

A lump sum debit or credit that is not claim specific made to a provider.

Hospital Resident

A client who is unable to be cared for in a setting other than the acute care hospital. See *Obtaining Resident Status* in the *Covered Services* chapter of this manual.

Indian Health Service (IHS)

IHS provides health services to American Indians and Alaska Natives.

Individual Adjustment

A request for a correction to a specific paid claim.

Inpatient

A client who has been admitted to a hospital with the expectation that he or she will remain more than 24 hours.

Investigational

A non-covered item or service that researchers are studying to investigate how it affects health.

Kiosk

A “room” or area in the Montana Virtual Human Services Pavilion (VHSP) website that contains information on the topic specified.

Large Referral Hospital

An acute care hospital in Montana that serves as a referral center and has been determined by the Department as of April 1, 1993 to have a care which is higher than the norm for Montana acute care hospitals.

Mass Adjustment

Request for a correction to a group of claims meeting specific defined criteria.

Medicaid

A program that provides health care coverage to specific populations, especially low-income families with children, pregnant women, disabled people and the elderly. Medicaid is administered by state governments under broad federal guidelines.

Medicaid Eligibility and Payment System (MEPS)

A computer system by which providers may access a client’s eligibility, demographic, and claim status history information via the internet.

Medically Necessary

A term describing a requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate or prevent worsening of conditions in the client. These conditions must be classified as one of the following: endanger life, cause suffering or pain, result in an illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction. There must be no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the client requesting the service.

For the purpose of this definition, “course of treatment” may include mere observation or, when appropriate, no treatment at all.

Medicare

The federal health insurance program for certain aged or disabled clients.

Mental Health Services Plan (MHSP)

This plan is for individuals who have a serious emotional disturbance (SED) or a severe and disabling mental illness (SDMI), are ineligible for Medicaid, and have a family income that does not exceed an amount established by the Department.

Mentally Incompetent

According to CFR 441.251, a mentally incompetent individual means an individual who has been declared mentally incompetent by a federal, state, or local court of competent jurisdiction for any purpose, unless the individual has been declared competent for purposes which include the ability to consent to sterilization.

Montana Breast and Cervical Cancer Treatment Program

This program provides Basic Medicaid coverage for women who have been screened through the Montana Breast and Cervical Health Program (MBCHP) and diagnosed with breast and/or cervical cancer or a pre-cancerous condition.

Outpatient

A person who has not been admitted by a hospital as an inpatient, who is expected by the hospital to receive services in the hospital for less than 24 hours, who is registered on the hospital records as an outpatient, and who receives outpatient hospital services, other than supplies or prescription drugs alone, from the hospital.

Outpatient Hospital Services

Outpatient hospital services are those preventive, diagnostic, therapeutic, rehabilitative, palliative items or services provided to an outpatient by or under the direction of a physician, dentist, or other practitioner.

PASSPORT To Health

A Medicaid managed care program where the client selects a primary care provider who manages the client's health care needs.

Prior Authorization (PA)

The approval process required before certain services or supplies are paid by Medicaid. Prior authorization must be obtained before providing the service or supply.

Private-pay

When a client chooses to pay for medical services out of his or her own pocket.

Provider or Provider of Service

An institution, agency, or person:

- Having a signed agreement with the Department to furnish medical care and goods and/or services to clients; and
- Eligible to receive payment from the Department.

Qualified Medicare Beneficiary (QMB)

QMB clients are clients for whom Medicaid pays their Medicare premiums and some or all of their Medicare coinsurance and deductibles.

Reference Lab Billing

Reference lab billing occurs when a Medicaid provider draws a specimen and sends it to a "reference lab" for processing. The reference lab then sends the results back to the Medicaid provider and bills the provider for the lab service. The Medicaid provider is then expected

to bill Medicaid for the lab service. Medicaid does not cover lab services when they are billed by the referring provider.

Remittance Advice (RA)

The results of claims processing (including paid, denied, and pending claims) are listed on the RA.

Resource-Based Relative Value Scale (RBRVS)

A method of determining physicians' fees based on the time, training, skill, and other factors required to deliver various services.

Retroactive Eligibility

When a client is determined to be eligible for Medicaid effective prior to the current date.

Routine Podiatric Care

Routine podiatric care includes the cutting or removing of corns and calluses, the trimming and debridement of nails, the application of skin creams, and other hygienic, preventive maintenance care.

Sanction

The penalty for noncompliance with laws, rules, and policies regarding Medicaid. A sanction may include withholding payment from a provider or terminating Medicaid enrollment.

Special Health Services (SHS)

SHS or Children's Special Health Services (CSHS) assists children with special health care needs who are not eligible for Medicaid by paying medical costs, finding resources, and conducting clinics.

Specified Low-Income Medicare Beneficiaries (SLMB)

For these clients, Medicaid pays the Medicare premium only. They are not eligible for other Medicaid benefits, and must pay their own Medicare coinsurance and deductibles.

Spending Down

Clients with high medical expenses relative to their income can become eligible for Medicaid by “spending down” their income to specified levels. The client is responsible to pay for services received before eligibility begins, and Medicaid pays for remaining covered services.

Team Care

A utilization control program designed to educate clients on how to effectively use the Medicaid system. Team Care clients are managed by a “team” consisting of a PASSPORT PCP, one pharmacy, the Nurse First Advice Line, and Montana Medicaid.

Third Party Liability (TPL)

Any entity that is, or may be, liable to pay all or part of the medical cost of care for a Medicaid, MHSP or CHIP client.

Timely Filing

Providers must submit clean claims (claims that can be processed without additional information or documentation from or action by the provider) to Medicaid within the latest of

- 12 months from whichever is later:
 - the date of service
 - the date retroactive eligibility or disability is determined
- 6 months from the date on the Medicare explanation of benefits approving the service
- 6 months from the date on an adjustment notice from a third party payor who has previously processed the claim for the same service, and the adjustment notice is dated after the periods described above.

Transferring Hospital

A hospital that formally releases an inpatient to another inpatient hospital or inpatient unit of a hospital.

Usual and Customary

The fee that the provider most frequently charges the general public for a service or item.

Virtual Human Services Pavilion (VHSP)

This internet site contains a wealth of information about Human Services, Justice, Commerce, Labor & Industry, Education, voter registration, the Governor’s Office, and Montana. <http://vhsp.dphhs.state.mt.us>

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